

Exhibit E

Notes to the consolidated financial statement as of December 31, 2021

Schur Flexibles Holding GesmbH, Vienna Neudorf

The effects of the significant adjustments on the balance sheet items are shown in the following tables.

	Long-term assets			Short-term assets				
	Intangible assets and tangible assets	Deferred tax assets	Inventories	Trade accounts receivable	Shareholder loans granted	Assets held for sale	Miscellaneous assets	Cash and cash equivalents
01/01/2020								
Values in TEUR								
as previously reported	316,493	5,382	70,011	42,374		1,604	61,177	72,688
Capitalization of fixed assets without documentation	-5,249						-360	
Capitalization of consulting and personnel-related costs	-20,904							
Cash pool					62,319			-62,319
Development costs - R&D	-4,466							
Flexoplates and Engravings	-449	75						
Accounts receivable / stock without documentation		189	-1,796	-995			-795	
Impairment	-13,968	4,086						
Moneta							-6,867	
Personnel-related reserves								
PPA Scandiflex	1,460						-1,460	
Ramp-up (incl. trial runs and plant redesign)	-20,383							
Software/IT	-6,961							
Miscellaneous	6,367	-1,162	1	-7		-1,604	-7,269	
Uni PPA and Miscellaneous adjustments	-2,903	4,543		-137			-1,748	32
Loss carried forward		-10,281						
Maintenance	-6,803							
Adjusted	242,233	2,833	68,215	41,234	62,319		42,679	10,401

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Notes to the consolidated financial statement as of December 31, 2021

Schur Flexibles Holding GesmbH, Vienna Neudorf

	Equity capital		Long-term debts			
		Shareholder loans	Financial liabilities	Provisions	Deferred tax liabilities	Miscellaneous accounts payable
01/01/2020						
Values in TEUR						
as previously reported	-139,665	-140,983	-53,983	-862	-23,797	-2,911
Capitalization of fixed assets without documentation	4,228				1,381	
Capitalization of consulting and personnel-related costs	15,701				5,203	
Cash pool						
Development costs - R&D	3,371				1,095	
Flexoplates and Engravings	3,419				917	
Accounts receivable / stock without documentation	2,956				442	
Impairment	9,881					
Moneta	5,356				1,511	
Personnel-related reserves						
PPA Scandiflex						
Ramp-up (incl. trial runs and plant redesign)	15,346				5,037	
Software/IT	5,633				1,328	
Miscellaneous	-2,313	1,133	-21		-2,476	
Uni PPA and Miscellaneous adjustments	28,766	-14,800	-2,058	-1,401	-148	-599
Loss carried forward	10,281					
Maintenance	5,145				1,658	
Adjusted	-31,894	-154,650	-56,061	-2,263	-7,849	-3,510

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Schur Flexibles Holding GesmbH, Vienna Neudorf

	Short-term debts						
	Shareholder loans	Trade accounts payable	Accounts payable from supply financing	Financial liabilities	Contract liabilities	Miscellaneous accounts payable	Provisions
01/01/2020							
Values in TEUR							
as previously reported	0	-98,234	-9,477	-61,401	-4,595	-39,601	-4,663
Capitalization of fixed assets without documentation							
Capitalization of consulting and personnel-related costs							
Cash pool	-38,889			38,889			
Development costs - R&D							
Flexoplates and Engravings					-3,961		
Accounts receivable / stock without documentation							
Impairment							
Moneta							
Personnel-related reserves							
PPA Scandiflex							
Ramp-up (incl. trial runs and plant redesign)							
Software/IT							
Miscellaneous		790	6,776	39		-103	-148
Uni PPA and Miscellaneous adjustments		-11		-105	-6,752	-2,679	
Loss carried forward							
Maintenance							
Adjusted	-38,889	-97,455	-2,701	-22,578	-15,308	-42,383	-4,811

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Notes to the consolidated financial statement as of December 31, 2021

Schur Flexibles Holding GesmbH, Vienna Neudorf

12/31/2020 Values in TEUR	Long-term assets			Short-term assets				
	Intangible assets and tangible assets	Deferred tax assets	Inventories	Trade accounts receivable	Shareholder loans granted	Income tax receivables	Miscellaneous assets	Cash and cash equivalents
as previously reported	318,434	3,854	69,322	36,542			41,122	110,646
Capitalization of fixed assets without documentation	-4,282						-360	
Capitalization of consulting and personnel-related costs	-25,532							
Application Engineers	-774							
Benchmark	-838							
Cash pool					91,474			-91,474
Development costs - R&D	-4,508	14						
Flexoplates and Engravings	43	108						
Flying doctors	-2,521							
Accounts receivable / stock without documentation			-4,081				-1,151	
Impairment	-12,269	3,137						
Moneta							-7,681	
Personnel-related reserves		323						
PPA Scandiflex	1,460							
Ramp-up (incl. trial runs and plant redesign)	-28,737							
Reclassification result								
Software/IT	-6,842	42						
Miscellaneous	4,922	4,298		-59			-3,111	
Uni PPA and Miscellaneous adjustments	-3,042	2,833		-113			-1,748	30
Loss carried forward		-12,899						
Maintenance	-8,278	190						
Adjusted	227,235	1,899	65,241	36,370	91,474		27,073	19,202

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Schur Flexibles Holding GesmbH, Vienna Neudorf

	Equity capital		Long-term debts		
		Shareholder loans	Miscellaneous accounts payable	Provisions	Deferred tax liabilities
12/31/2020					
Values in TEUR					
as previously reported	-135,151	-145,886	-1,793	-855	-22,010
Capitalization of fixed assets without documentation	2,434				648
Capitalization of consulting and personnel-related costs	19,254				6,277
Application Engineers	564				210
Benchmark	627				210
Cash pool					
Development costs - R&D	3,378				1,117
Flexoplates and Engravings	4,052				996
Flying doctors	1,884				637
Accounts receivable / stock without documentation	6,424				1,133
Impairment	9,132				
Moneta	5,999				1,682
Personnel-related reserves	4,480				653
PPA Scandiflex					
Ramp-up (incl. trial runs and plant redesign)	21,658				7,080
Reclassification result					
Software/IT	5,482				1,318
Miscellaneous	3,038	-4,534			-5,653
Uni PPA and Miscellaneous adjustments	27,149	-14,800	-3,279	-1,474	89
Loss carried forward	12,899				
Maintenance	6,240				1,849
Adjusted	-457	-165,220	-5,071	-2,329	-3,764

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12/31/2020 Values in TEUR as previously reported	Short-term debts						
	Shareholder loans	Trade accounts payable	Accounts payable from supply financing	Financial liabilities	Contract liabilities	Miscellaneous accounts payable	Provisions
		-77,676	-22,749	-84,529	-3,806	-37,689	-5,046
Capitalization of fixed assets without documentation						0	0
Capitalization of consulting and personnel-related costs						0	0
Application Engineers						0	0
Benchmark						0	0
Cash pool	-66,498			66,498		0	0
Development costs - R&D						0	0
Flexoplates and Engravings					-5,199	0	0
Flying doctors						0	0
Accounts receivable / stock without documentation						-2,325	0
Impairment						0	0
Moneta						0	0
Personnel-related reserves						-5,278	1,422
PPA Scandiflex						0	0
Ramp-up (incl. trial runs and plant redesign)						0	0
Reclassification result						0	0
Software/IT						0	0
Miscellaneous		59	13,990			-13,391	-1,058
Uni PPA and Miscellaneous adjustments		-297		-105	-5,594	356	0
Loss carried forward						0	0
Maintenance						0	0
Adjusted	-66,498	-77,914	-8,758	-18,136	-14,599	-58,326	-4,683

Notes to the consolidated financial statement as of December 31, 2021

Schur Flexibles Holding GesmbH, Vienna Neudorf

Comprehensive income statement

2020

Effects due to error correction

in TEUR	as previously reported	Adjustments	Adjusted
Sales revenue	490,484	-1,564	488,920
Production costs of the services rendered to achieve the sales revenues	-389,660	-10,390	-400,051
Gross profit from sales	100,823	-11,954	88,869
Miscellaneous operating income	2,527	5,937	8,464
Distribution costs	-32,658	-2,468	-35,126
Administrative costs	-51,005	-14,696	-65,701
Miscellaneous operating expenses	-767	-5,864	-6,630
Operating result	18,920	-29,045	-10,125
Interest income	3,098	-1,923	1,175
Interest expenses	-19,057	3,928	-15,129
Miscellaneous financial result	0	-6,310	-6,310
Earnings before taxes	2,961	-33,349	-30,388
Income tax expense	-4,694	2,951	-1,743
Consolidated deficit from business units to be continued	-1,734	-30,398	-32,132
Result from discontinued business units	-3,110	3,110	0
Consolidated net loss	-4,843	-27,288	-32,132
Thereof, the following are attributable to:			
Shareholders of the parent company	-6,755	-27,069	-33,823
Non-controlling shares	1,911	-220	1,692
Consolidated net loss	-4,843	-27,288	-32,132
<i>Items that may be reclassified to profit or loss</i>			
Recognition of income and expenses from foreign currency conversion	-1,514	496	-1,018
Valuation effects recognized directly in equity	47	-46	1
Compared to profit-accumulated derivative valuation effects	0		0
Deferred taxes attributable to this	-12	13	1
Miscellaneous income	-1,479	463	-1,016
Consolidated comprehensive income	-6,322	-26,825	-33,148
Thereof, the following are attributable to			
shareholders of the parent company	-8,219	-26,621	-34,840
Non-controlling shares	1,896	-204	1,692
Consolidated comprehensive income	-6,322	-26,825	-33,148

Notes to the consolidated financial statement as of December 31, 2021

Schur Flexibles Holding GesmbH, Vienna Neudorf

The effects of the significant adjustments on the significant items of the comprehensive income statement are shown in the following table.

	Sales revenue	Production costs of the services rendered to achieve the sales revenues	Miscellaneous operating income	Distribution costs	Administrative costs	Miscellaneous operating expenses	Interest income	Interest expenses	Miscellaneous financial result	Income tax expense
2020 as previously reported	490,484	-389,660	2,527	-32,658	-51,005	-767	3,098	-19,057		-4,694
Capitalization of fixed assets without documentation		-340			1,073					-200
Capitalization of consulting and personnel-related costs		696		-551	-4,956					1,110
Application Engineers		-263		-515	3					210
Benchmark				-754	-82					210
Development costs - R&D					-44					35
Flexoplates and Engravings	-1,302	398								140
Flying doctors					-2,515					636
Accounts receivable / stock without documentation		-2,285	-175		-2,506	948				510
IFRS 5	92	-1,553	255	-207	-217	-1,374		-30		-76
Impairment		1,314		54	331					-949
Moneta					-814					171
Personnel-related reserves					-3,858					977
Ramp-up (incl. trial runs and plant redesign)		-7,034		-432	-953					2,057
Reclassification result			1,962	-75	-239	-2,852		371	890	
Software/IT				48	59					34
Miscellaneous	-386	-2,811	2,466	-34	-326	-1,050	-1,962	3,637	-7,187	1,805
Uni PPA and Miscellaneous adjustments	32	2,985	1,430		349	-1,537	39	-49	-13	-1,486
Loss carried forward										-2,618
Maintenance		-1,498								385
Adjusted	488,920	-400,051	8,464	-35,126	-65,701	-6,630	1,175	-15,129	-6,310	-1,743

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Schur Flexibles Holding GesmbH, Vienna Neudorf

Amount correction of items in the cash flow statement

2020 in TEUR	Effects due to error correction		
	as previously reported	Adjustments	Adjusted
Earnings before taxes from continuing business units	2,961	-33,349	-30,388
Earnings before taxes from discontinued business units	-3,033	3,033	0
Earnings before income taxes including discontinued business units	-73	-30,316	-30,388
Correction items interest income	15,989	-2,036	13,954
Depreciation on intangible assets and tangible assets	59,936	-22,806	37,130
Profit(-) / loss(+) from the disposal of fixed assets	-140	-76	-216
Miscellaneous non-cash expenses and income	-814	4,071	3,257
Change in accounts receivable and Miscellaneous assets	5,180	-893	4,287
Change in inventories	171	2,256	2,427
Change in accounts payable	33,791	-53,414	-19,622
Change in the supply financing	0	6,057	6,057
Change in Miscellaneous net current assets	-2,358	19,604	17,246
Cash flow from ongoing business activities before interest and taxes	111,684	-77,553	34,132
Interest payments received	1,136	39	1,175
Interest paid	-15,223	1,118	-14,104
Taxes paid on income and earnings	-2,569	-18	-2,587
Cash flow from ongoing business activities	95,029	-76,413	18,616
Deposits from the sale of financial assets	9	0	9
Deposits from the sale of tangible assets	3,431	510	3,941
Deposits from the sale of intangible assets	104	0	104
Payments for the acquisition of tangible assets	-27,870	8,490	-19,380
Payments for the acquisition of intangible assets	-8,965	5,386	-3,579
Payment of shareholder loans	-6,000	-1,500	-7,500
Shareholder loans granted inflows	0	1,500	1,500
Payments for the acquisition of financial assets	-9	0	-9
Payments for the acquisition of shares in consolidated subsidiaries less cash taken over	-1,056	-500	-1,556
Cash flow from investment activities	-40,357	13,886	-26,470
Deposit from profit transfer	19,439	0	19,439
Payout from profit transfer	-2,304	0	-2,304
Taking out shareholder loans and cash pool	13,053	39,509	52,561
Repayment of shareholder loans and cash pool	-5,000	-41,055	-46,055
Taking out overdraft facilities	28,157	-28,157	0
Repayment of overdraft facilities	-711	564	-147
Payments of supply financing	-63,254	63,254	0
Taking out financial liabilities	11,739	-715	11,024
Repayment of financial liabilities	-17,474	-619	-18,093
Cash flow from financing activities	-16,356	32,782	16,425
Change in cash and cash equivalents	38,316	-29,745	8,571
Exchange rate fluctuations	-359	590	231
Cash funds at the beginning of the fiscal year	72,688	-62,288	10,401
Cash funds at the end of the fiscal year	110,646	-91,443	19,202

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Depreciation is corrected by eliminating erroneous capitalizations by EUR 22.8 million. Due to the application of the effective interest method for credit procurement costs with regard to shareholder loans, the adjustment item for miscellaneous non-cash expenses and income had to be adjusted by EUR 4.1 million. The change in inventories was to be corrected by EUR 2.3 million due to incorrect postings in the warehouse valuation. The change in accounts payable in the amount of EUR -57.8 million is influenced by the changed presentation of the supply financing, as well as the correction of the erroneous presentation of unpaid fixed assets in the amount of EUR 18.3 million.

The incorrect capitalization of property, plant and equipment in the amount of EUR 23.9 million as well as the correction of the change in unpaid investments of EUR -12.1 million and adjustments to the recognition of payments in connection with supply financing lead to an adjustment of the item payments for the acquisition of property, plant and equipment in the amount of EUR 8.5 million. The item payments for the acquisition of intangible assets was adjusted by EUR 11.6 million due to the correction of incorrect capitalization and by EUR 5.4 million due to the correction of unpaid investments of EUR -6.2 million.

The structure of the financing cash flow is significantly influenced by recognition topics regarding the cash pool and the supply financing: The Group has concluded supplier finance agreements. In the past, the changes in the relevant trade accounts payable at the time of financing via the supplier finance program were presented in the cash flow from ongoing business activities and with regard to investments in investment cash flow. Payments relating to the accounts payable in this program were recognized in the cash flow from financing activities. This presentation has been corrected. Now both the change in trade accounts payable and the payments under the supplier finance program are shown in the cash flow from ongoing business activities.

With regard to the adjustment of the cash fund, reference is made to the statements on the adjustments of Binaz.

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7 Information on the consolidated balance sheet

7.1 Intangible assets and tangible assets

With regard to the development of long-term assets in the fiscal year ending December 31, 2021, reference is made to the following development of intangible assets and tangible assets.

Notes to the consolidated financial statement as of December 31, 2021

Schur Flexibles Holding GesmbH, Vienna Neudorf

Intangible assets in TEUR	Total	Goodwill	Customer relationships	Trademark rights	Miscellaneous intangible assets
Acquisition or Production costs					
01/01/2020 adjusted	112,105	29,004	70,702	2,194	10,205
Currency effects	65		69	3	-7
Additions	2,597			52	2,546
Disposals	-17			0	-17
Revaluation reserve	630				630
Reclassifications	180			-52	232
12/31/2020 adjusted	115,560	29,004	70,770	2,198	13,588
Currency effects	-64	29	-89	0	-5
Initial consolidation	73,903	45,492	28,200		211
Additions	3,101		0		3,101
Disposals	-31				-31
Reclassifications	682	0		-340	1,022
12/31/2021	193,151	74,525	98,881	1,858	17,887
Depreciation					
01/01/2020 adjusted	40,989	4,328	28,852	665	7,144
Currency effects	-56		-49	2	-9
Additions	5,009	0	3,646	80	1,282
Disposals	87		0	0	87
Revaluation reserve	630				630
Reclassifications	75			0	75
12/31/2020 adjusted	46,733	4,328	32,449	747	9,208
Currency effects	-25		-21	0	-4
Additions	6,626	0	4,828	81	1,718
Disposals	-31				-31
Unscheduled depreciation	76				76
12/31/2021	53,380	4,328	37,257	828	10,967
Book values					
01/01/2020 adjusted	71,116	24,676	41,850	1,529	3,061
12/31/2020 adjusted	68,827	24,676	38,321	1,450	4,380
12/31/2021	139,771	70,197	61,625	1,029	6,920

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Schur Flexibles Holding GesmbH, Vienna Neudorf

Property, plant and equipment in TEUR	Total	Properties and buildings	Technical systems and machines	Other equipment, operating and office equipment
Acquisition or Production costs				
01/01/2020 adjusted	277,600	83,432	178,301	15,867
Currency effects	-1,734	-653	-946	-136
Additions	20,680	3,837	14,149	2,694
Disposals	-13,330	-1,171	-10,803	-1,356
Reclassifications	1,427	157	1,205	64
Deconsolidation's	-400	-400		
12/31/2020 adjusted	284,242	85,202	181,906	17,134
Currency effects	-76	-2	-88	14
Initial consolidation	27,893	3,872	22,970	1,051
Additions	39,080	18,825	17,263	2,992
Disposals	-12,605	-669	-10,906	-1,030
Reclassifications	3,142	224	2,868	50
12/31/2021	341,676	107,452	214,014	20,210
Depreciation				
01/01/2020 adjusted	109,706	16,495	84,850	8,362
Currency effects	-944	-278	-573	-93
Additions	30,584	5,673	22,385	2,526
Disposals	-9,841	-311	-8,301	-1,229
Unscheduled depreciation	1,537	1,333		204
Reclassifications	-75	-804	0	729
Deconsolidation's	-400	-400		
12/31/2020 adjusted	130,567	21,708	98,361	10,497
Currency effects	-66	-22	-48	5
Additions	31,266	5,807	22,716	2,742
Disposals	-10,744	-232	-9,690	-821
Unscheduled depreciation	8,051	5,677	2,374	
12/31/2021	159,075	32,939	113,710	12,426
Book values				
01/01/2020 adjusted	167,893	66,937	93,451	7,506
12/31/2020 adjusted	153,675	63,494	83,545	6,637
12/31/2021	182,602	74,514	100,304	7,784

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Schur Flexibles Holding GesmbH, Vienna Neudorf

Assets under construction in TEUR	Total	Intangible assets under construction	Property, plant and equipment under construction
Acquisition or Production costs			
01/01/2020 adjusted	3,224		3,224
Currency effects	-27		-27
Additions	4,694	1,015	3,679
Disposals	-1,551		-1,551
Reclassifications	-1,607		-1,607
12/31/2020 adjusted	4,733	1,015	3,718
Currency effects	-3		-3
Additions	5,859	8	5,851
Disposals	-193	-8	-185
Unscheduled depreciation	-90		-90
Reclassifications	-3,824	-1,015	-2,809
12/31/2021	6,482		6,482
Depreciation			
01/01/2020 adjusted	0		
12/31/2020 adjusted	0		
12/31/2021	0		
Book values			
01/01/2020 adjusted	3,224	0	3,224
12/31/2020 adjusted	4,733	1,015	3,718
12/31/2021	6,482	0	6,482

On each balance sheet date, the Group performs an impairment test with regard to long-term assets (see also text no. 2.3.5). Based on this impairment test, there were no impairments or reversals of impairments of non-current assets for the 2021 fiscal year or the previous year.

As of December 31, 2021, tangible assets in the amount of EUR 39,652,000 (December 31, 2020: EUR 52,765,000; January 1, 2020: EUR 54,624,000) were posted as collateral for own obligations.

The Group leases technical systems and machines that are required for the operational activity. In addition, there are lease agreements for various office and warehouse buildings, as well as vehicles. Leases are usually concluded for fixed periods, but may have renewal options. In particular, a number of real estate contracts of the Group contain extension and termination options. Such contractual conditions are used to give the group the maximum operational flexibility with regard to the contract portfolio.

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The rights of use applied relate to the following types of assets:

Rights of use in TEUR	12/31/2021	12/31/2020	01/01/2020
Properties and buildings	21,630	18,101	14,665
Technical systems and machines	16,056	25,645	41,025
Other equipment, operating and office equipment	1,876	2,116	2,294
Total rights of use	39,562	45,862	57,984

The decline results from current depreciation and expiring leasing contracts.

Accounts payable from leasing in TEUR	12/31/2021	12/31/2020 adjusted	01/01/2020 adjusted
Short-term accounts payable from leasing*	12,987	10,890	15,282
Long-term accounts payable from leasing**	27,467	33,568	41,580
Total accounts payable from leasing	40,454	44,458	56,862

*Short-term accounts payable from leasing are reported under the balance sheet item Short-term financial liabilities.

**Long-term accounts payable from leasing are reported under the balance sheet item Long-term financial liabilities.

Amounts shown in the **comprehensive income statement**:

In thousand euros (TEUR)	2021	2020 adjusted
Depreciation of land and buildings	10,543	5,915
Depreciation of technical systems and machines	7,130	6,169
Depreciation of other assets, operating and office equipment	1,352	1,490
Total depreciation	19,025	13,573
Expenses for variable leasing payments	0	0
Interest expense for accounts payable from leasing	1,456	1,413
Total expenses	20,481	14,986

In the 2021 fiscal year, **repayments** for the leases amounted to EUR 14,255,000 (2020: EUR 12,185,000).

There were neither lease purchase agreements in the 2021 fiscal year nor in the previous year that met the criteria of IFRS 15 for a transfer of control. Consequently, there was no income realization and the recognition of a right of use according to IFRS 16 of the assets underlying these contracts. The corresponding assets were continued at their book values and the consideration received was presented as a financial liability.

7.2 Shareholder loans granted

Schur Flexibles GmbH has received long-term loans from the Schur Flexible Holding Group in the amount of EUR 41,665,000 (December 31, 2020: EUR 16,165,000 / January 1, 2020: EUR 10,165,000). These are shown in the long-term assets.

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The short-term shareholder loans of EUR 134,061,000 (December 31, 2020: EUR 91,474,000 / January 1, 2020: EUR 62,319,000) relate to accounts receivable of the Schur Flexible Holding Group within the scope of the cash pool, as well as a short-term loan to Schur Flexibles GmbH in the amount of EUR 5,000,000 (December 31, 2020: 0 / January 1, 2020: EUR 0).

7.3 Inventories

Inventories are composed as follows:

Inventories in TEUR	12/31/2021	12/31/2020 adjusted	01/01/2020 adjusted
Raw materials and supplies	52,413	28,135	31,076
Unfinished and finished products	44,125	37,107	37,139
Inventories	96,538	65,241	68,215

The increase in inventories is mainly due to the acquisitions of Termoplast S.r.l. and Sidac S.p.A. as well as raw material price increases.

The value adjustment for inventories amounted to EUR 4,492,000 as of December 31, 2021 (December 31, 2020: EUR 4,099,000; January 1, 2020: EUR 3,708,000), of which EUR 2,502,000 (previous year: EUR 2,648,000) was recognized in the fiscal year. The cost of materials recognized in the profit and loss account in the fiscal year amounted to EUR 419,798,000 (previous year: EUR 273,422,000).

7.4 Trade accounts receivable

The trade accounts receivable were composed as follows:

Trade accounts receivable in TEUR	12/31/2021	12/31/2020 adjusted	01/01/2020 adjusted
Trade accounts receivable gross	70,879	41,009	45,698
Specific loan loss provisions	-4,223	-4,639	-4,464
Trade accounts receivable, net	66,657	36,370	41,234

The increase in trade accounts receivable is mainly due to the acquisitions of Termoplast S.r.l. and Sidac S.p.A.

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The following table shows the development of the value adjustments formed on trade accounts receivable:

Value adjustments on trade accounts receivable in TEUR	2021	2020
As of January 1	4,639	4,464
Allocation to other expenses	545	106
Utilization	-83	-172
Reversal affecting earnings	-686	311
Currency effects	-3	-70
Miscellaneous changes	-189	0
As of December 31	4,223	4,639

An analysis of overdue gross book values from trade accounts receivable is shown below:

Gross book value of overdue trade accounts receivable in TEUR	12/31/2021	12/31/2020 adjusted	01/01/2020 adjusted
up to 30 days	8,192	7,047	9,655
31 to 90 days	1,187	1,983	2,217
91 to 180 days	636	1,084	1,274
181 to 360 days	413	1,112	2,397
> 360 days	3,026	3,822	2,024
As of December 31	13,454	15,049	17,567

For further information on the default risk of trade accounts receivable, see Chapter 9.2.1 or Chapter 2.3.7 for indicators.

Transfers of financial assets

Factoring agreements are concluded within the Group to improve working capital management and to manage liquidity within the Group. The nominal amount of the transfer of accounts receivable existing on the balance sheet date amounts to EUR 49,962,000 (December 31, 2020: EUR 32,301,000; January 1, 2020: EUR 28,793,000).

Within the framework of factoring programs with various banks, companies of the Schur Flexibles Holding Group regularly serve the accounts receivable purchaser with certain short-term accounts receivable due from deliveries and services for purchase. The risks relevant for the risk assessment are the credit risk and the late payment risk. The credit risk exists in the risk of defaulting accounts receivable and is transferred in full against payment of a fixed purchase price discount. The Schur Flexibles Holding Group, on the other hand, retains the full amount of the late payment risk. The maximum risk of loss resulting from these accounts receivable is insignificant. Essentially, all opportunities and risks are transferred to the factor. The accounts receivable from these factoring agreements are therefore written off.

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In addition, there are individual factoring agreements between group companies and local banks. Within these agreements, trade accounts receivable are also offered for purchase at regular intervals. The risks relevant for the risk assessment are the credit, the late payment risk and the foreign currency risk. The credit risk exists in the risk of defaulting accounts receivable and is largely hedged by a credit insurance. On the other hand, Schur Flexibles Holding Group will continue to withhold the full amount of the late payment risk and the foreign currency risk. For these contracts, the accounts receivable are fully closed out and then recognized in the form of a continuing involvement, which represents the maximum risk of loss from the guarantees given in the transfer of accounts receivable. As of December 31, 2021, the continuation involvement amounts to EUR 1,557,000 (December 31, 2020: EUR 1,238,000; January 1, 2020: EUR 1,102,000) and is shown in the Miscellaneous assets. In addition, an associated liability of the same amount is posted. The Schur Flexibles Holding Group expects only insignificant use of these guarantees on the basis of the historical payment behavior and the historical failures.

7.5 Miscellaneous assets

The miscellaneous assets have developed as follows:

Miscellaneous assets in TEUR	12/31/2021	12/31/2020 adjusted	01/01/2020 adjusted
Other	28,214	17,559	32,195
Taxes	7,721	4,389	5,496
Pending Supplier Awards	4,068	1,678	1,225
Active accruals and deferrals	3,261	2,262	3,188
Advance payments made	1,083	583	142
Creditors with debit balances	336	602	432
Total miscellaneous assets	44,684	27,073	42,679

The item "Other" includes accounts receivable from profit and loss transfer agreements with Schur Flexibles GmbH in the amount of EUR 10,672,000 (December 31, 2020: EUR 3,081,000 / January 1, 2020: EUR 19,431,000), blocked amounts from the factoring agreements in the amount of EUR 2,465,000 (December 31, 2020: EUR 1,681,000; January 1, 2020: EUR 1,847,000). Furthermore, the continuation involvement in the amount of EUR 1,557,000 (December 31, 2020: EUR 1,238,000; January 1, 2020: EUR 1,102,000) is included, which represents the residual risk from the sales of accounts receivable within the factoring agreements mentioned in Chapter 7.4. In the same amount, there is also an associated liability, which is posted in the Miscellaneous accounts payable (see Chapter 7.13).

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7.6 Cash and cash equivalents

The cash and cash equivalents are as follows:

Cash and short-term deposits in TEUR	12/31/2021	12/31/2020 adjusted	01/01/2020 adjusted
Credit balances with credit institutions	19,558	19,156	10,379
Cash on hand	23	47	22
Total cash and short-term deposits	19,582	19,202	10,401

The changes in cash and cash equivalents are shown in the consolidated cash flow statement. An amount of EUR 664,000 was subject to a restriction on disposal on December 31, 2021 (12/31/2020: EUR 50,000; 01/01/2020: EUR 180,000). These relate to EUR 382,000 bank balances that can only be used for tax payments, as well as to EUR 232,000 credits from deposits from factoring contracts.

7.7 Equity capital

The components and changes in equity capital are shown in the consolidated statement of changes in equity capital.

Subscribed capital

The fully paid-up share capital of Schur Flexibles Holding GesmbH entered in the commercial register is EUR 35,000.00 (12/31/2020: EUR 35,000.00; 01/01/2020: EUR 35,000.00).

Capital reserve

The capital reserve results from deposits and deposits made by the owners of Schur Flexibles Holding GesmbH.

In order to strengthen equity capital, loans issued by Schur Flexibles GmbH were converted into equity capital in the fiscal year.

Miscellaneous reserves

The miscellaneous reserves consist of securities from the currency conversion in the amount of EUR -826,000 (12/31/2020: EUR -747,000; 01/01/2020: EUR 272,000) as well as reserves in connection with the valuation of financial instruments in the amount of EUR 0 (12/31/2020: EUR -118,000; 01/01/2020: EUR -158,000).

Revenue reserve

The equity capital generated includes the results achieved by the companies included in the consolidated financial statement.

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In Germany, there are profit and loss transfer agreements between Schur Flexibles GmbH, which is not part of the consolidated group, and the German subsidiaries. These contracts stipulate that the German subsidiaries transfer 100% of their local results under the HGB to Schur Flexibles GmbH. The results from this situation are presented in the revenue reserves.

Non-controlling shares

For the share ratios with regard to the non-controlling shares, please refer to Section 2.2.

The non-controlling shares amounted to EUR 0 (12/31/2020: EUR 10,579,000; 01/01/2020: EUR 8,944,000) with regard to Schur Flexibles ABR SA and EUR 0 with regard to the prism SA (12/31/2020: EUR 602,000; 01/01/2020: EUR 523,000), EUR 3,000 with regard to PS Polymer Sourcing GmbH (12/31/2020: EUR 2,000; 01/01/2020: EUR 3,000) and Schur Flexibles. EUR 128,000 (12/31/2020: EUR 42,000; 01/01/2020: EUR 39,000).

The financial information for subsidiaries with significant non-controlling shares is as follows:

Due to their size, there are significant non-controlling shares at the Greek company Schur Flexibles ABR SA, Komotini. The minority share is 0% (12/31/2020: 20%; 01/01/2020: 20%). The non-controlling shares attributable profits of this subsidiary amount to EUR 496,000 (previous year: EUR 1,369,000).

The financial information of this subsidiary is summarized below. This presentation is based on information before consolidation.

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Summarized Profit and Loss Account

Summarized Profit and Loss Account in TEUR	Schur Flexibles ABR SA 2021	Schur Flexible ABR SA 2020 adjusted
Sales revenue	66,222	66,730
Production costs of the services rendered to achieve the sales revenues	-51,151	-50,659
Gross profit from sales	15,071	16,071
Miscellaneous operating income	375	2,316
Distribution costs	-4,181	-4,618
Administrative costs	-4,814	-4,509
Miscellaneous operating expenses	1	-295
Operating result	6,453	8,964
Interest income	1,008	620
Interest expenses	-181	-623
Miscellaneous financial result	948	1,329
Earnings before taxes	8,227	10,290
Income tax expense	-1,501	-2,184
Consolidated net income/loss	6,726	8,107
Non-controlling shares	496	1,369

Summarized balance sheet

Summarized balance sheet in TEUR	Schur Flexibles ABR SA 2021	Schur Flexible ABR SA 2020 adjusted
Tangible assets and miscellaneous long-term assets	62,195	49,294
Inventories	7,612	5,805
Trade accounts receivable and miscellaneous short-term assets	12,540	10,678
Cash and cash equivalents	6,246	12,408
Balance sheet total assets	88,593	78,184
Equity capital	56,411	49,674
Long-term debts	9,479	11,423
Short-term debts	22,703	17,087
Balance sheet total liabilities	88,593	78,184
from equity capital is attributable to shareholders of the parent company	56,411	39,095
Non-controlling shares	0	10,579

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Summarized cash flow statement

Summarized cash flow statement in TEUR	Schur Flexibles ABR SA 2021	Schur Flexible ABR SA 2020 adjusted
Cash flow from ongoing business activities	13,473	13,169
Cash flow from investment activities	-17,122	-10,973
Cash flow from financing activities	-2,513	5,092
Change in cash and cash equivalents	-6,162	7,289

7.8 Shareholder loans

Shareholder loan in TEUR	12/31/2021	12/31/2020 adjusted	01/01/2020 adjusted
Long-term	0	165,220	154,650
Short-term	414,736	66,498	38,889
Shareholder loans	414,736	231,717	193,540

The shareholder loans include a short-term loan from Schur Flexibles GmbH, the parent company of Schur Flexibles Holding GesmbH in the amount of EUR 371,930,000 (12/31/2020: EUR 0; 01/01/2020: EUR 0) and a loan from Atlas Flexibles GmbH to a subsidiary of Schur Flexibles Holding GesmbH in the amount of EUR 14,800,000. On September 9, 2021, the long-term shareholder loans were fully refinanced. The interest rate until refinancing was 6.76% and after financing the interest rate is 4.71%. The term of the shareholder loans is 7 years from September 30, 2021 and the repayment is final. Nevertheless, the amounts were reported as short-term, since the lenders of the loan underlying the shareholder loans could have made them due on December 31, 2021.

In addition, there are accounts payable from the cash pool to Schur Flexibles GmbH in the amount of EUR 28,004,000 (12/31/2020: EUR 66,498,000; 01/01/2020: EUR 38,889,000).

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7.9 Financial liabilities

The following table shows the financial liabilities by type of lender.

Financial liabilities in TEUR	12/31/2021	12/31/2020 adjusted	01/01/2020 adjusted
Accounts payable to banks	51,761	28,027	19,351
Accounts payable from leases	40,454	44,458	56,862
Miscellaneous financial liabilities	5,440	2,326	2,426
Financial liabilities	97,655	74,811	78,639

7.9.1 Accounts payable to banks

Accounts payable to banks include short-term credit lines used in the total amount of EUR 16,856,000 (12/31/2020: EUR 2,453,000; 01/01/2020: EUR 2,547,000) and long-term bank loans with local banks.

7.9.2 Accounts payable from leases

The information on accounts payable from leases is described and presented together with the rights of use in Chapter 7.1.1.

7.10 Trade accounts payable

The increase in trade accounts payable of EUR 77,914,000 in fiscal year 2020 to EUR 108,960,000 in fiscal year 2021 results from a program for the optimization of working capital and, on the other hand, from the acquisitions of Termoplast S.r.l. and Sidac S.p.A.

7.11 Contract liabilities

The contract liabilities in the amount of EUR 16,561,000 (12/31/2020: EUR 14,599,000; 01/01/2020: EUR 15,308,000) essentially include the delimitation of the revenues of the costs for printing tools that are offset.

7.12 Accounts payable from supply financing

The miscellaneous financial liabilities include accounts payable from supply financing, in which Schur Flexibles Holding Group uses Supplier Finance Programs to improve working capital and to improve the conditions of its suppliers. In this regard, a central program with an external payment service provider has been concluded since the end of 2019. The external payment service provider pays trade accounts payable of the Schur Flexible Holding Group to its suppliers. Since the payment by the payment service provider is designed to disburse debt to the suppliers and service providers, the respective trade account payable is closed out and a new financial liability to the payment service provider is established. The resulting accounts payable amounted to EUR 84,662,000 at the end of 2021 (12/31/2020: EUR 8,758,000; 01/01/2020: EUR 2,701,000). The supply financing program at the group level is covered by the restructuring of financial liabilities in 2022 and is continued as a term loan with the part adjusted for the waiver of accounts receivable. Only in Schur Flexibles ABR SA is an operative supplier financing line continued, which is not affected by the restructuring.

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7.13 Miscellaneous accounts payable

Miscellaneous accounts payable are broken down as follows:

Miscellaneous accounts payable in TEUR	12/31/2021	12/31/2020 adjusted	01/01/2020 adjusted
Miscellaneous long-term accounts payable	19,053	5,071	3,510
Short-term			
Accounts payable to employees	17,483	18,844	12,901
Miscellaneous accounts payable	23,227	32,246	18,394
Accounts payable from acquisitions	4,009	0	1,297
Advance payments received	1,533	2,473	2,939
Miscellaneous taxes	4,996	2,677	3,272
Outstanding invoices	2,805	1,252	2,741
Fair value of financial instruments	100	151	197
Debtors with credit balances	453	683	643
Total short-term miscellaneous accounts payable	54,606	58,326	42,383
Total miscellaneous accounts payable	73,659	63,398	45,893

The miscellaneous long-term accounts payable include accounts payable from corporate acquisitions in the amount of EUR 17,158,000 (12/31/2020: EUR 3,673,000; 01/01/2020: EUR 3,338,000), accounts payable to employees in the amount of EUR 1,400,000 (12/31/2020: EUR 1,162,000; 01/01/2020: EUR 0) and associated liability. This originates from the sale of accounts receivable, in which Schur Flexibles Holding Group continues to recognize the accounts receivable in the amount of its ongoing exposure that are derecognized as part of the accounting of factoring programs (see Chapter 7.4).

Short-term accounts payable to employees relate to unused vacation, overtime, and outstanding wage and salary and bonus payments.

The accounts payable from corporate acquisitions include the put options in connection with the acquisition of the Unipackaging Group in 2018 and Schur Flexibles ABR SA.

As part of the acquisition of the Unipackaging Group, two call options and two put options on the acquisition and sale of non-controlling interests were contractually assumed, which are structured symmetrically. The call options entitle the Schur Flexibles Holding Group to purchase the remaining 30% in 2 tranches. The first 10% was acquired in May 2020. The remaining 20% can be purchased in May 2033. Likewise, the minority shareholders are entitled to sell their shares to the Schur Flexible Holdings Group at the same times due to the put options. The option has a minimum price (EUR 2,667,000). The exercise price is determined on the basis of an EBITDA multiple in the amount of 7.5 minus the net debt existing at the time of exercise. An exercise price exceeding the minimum price is taken into account in the context of the valuation of the financial liabilities from the existing option agreements in accordance with the underlying business plan.

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As part of the share acquisition of another 14.22% in the 2021 fiscal year of Schur Flexibles ABR SA, a put option of the remaining 5.78% was agreed, which can be exercised at the earliest on January 1, 2025 but at the latest by December 31, 2027. This option authorizes the Seller to sell parts or all shares to the Buyer. The exercise price is determined on the basis of the purchase price of the share acquisition in fiscal year 2021, taking into account future EBITDAs.

The other miscellaneous accounts payable primarily include accounts payable from profit and loss transfer agreements to Schur Flexibles GmbH in the amount of EUR 7,532,000 (December 31, 2020: EUR 4,320,000 / January 1, 2020: EUR 2,305,000) and VAT liabilities in the amount of EUR 4,677,000 (12/31/2020: EUR 3,839,000; 01/01/2020 EUR 2,949,000). In addition, accounts payable for interest payments amounting to EUR 100,000 (12/31/2020: EUR 1,005,000; 01/01/2020: EUR 122,000) and accounts payable for customer bonuses amounting to EUR 455,000 (12/31/2020: EUR 470,000; 01/01/2020 EUR 721,000).

In both the current fiscal year and the previous year, the miscellaneous short-term accounts payable are due within one year and the long-term miscellaneous accounts payable within two to five years.

7.14 Provisions

The provisions have changed in 2020 and 2021 as follows:

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Provisions in TEUR	01/01/2021 adjusted	Other changes	Utilization	Resolution	Additions	12/31/2021
personnel-related	855	-182	-28	-396	46	294
Severance payments	1,474	1,456	-197	-117	211	2,828
Other long-term provisions		370	-60		84	394
Total	2,329	1,644	-285	-513	340	3,516
Personnel-related provisions	1,445	-2	-1,201	-60	4,513	4,695
Warranties	303	-2	-67	-142	370	462
Legal and consultancy costs	220	43	-215	-20	1,852	1,880
Provisions for customer bonus	1,042	4	-772	-89	1,746	1,931
Other provisions	1,672	40	-361	-13	4,867	6,204
Total short-term provisions	4,683	83	-2,617	-324	13,347	15,172
Provisions	7,012	1,727	-2,902	-837	13,688	18,688

Provisions in TEUR	01/01/2020 adjusted	Other changes	Utilization	Resolution	Additions	12/31/2020 adjusted
personnel-related	862	3	-136	-10	135	855
Severance payments	1,401	0	-76	-1	151	1,474
Total	2,263	3	-212	-11	286	2,329
Personnel-related provisions	2,803	-10	-2,419	-217	1,288	1,445
Warranties	354	-10	-272	-109	340	303
Legal and consultancy costs	122	-8	-81	-15	203	220
Provisions for customer bonus	817	-11	-1,019	-12	1,267	1,042
Other provisions	716	2	-602	-78	1,634	1,672
Total short-term provisions	4,811	-37	-4,394	-431	4,733	4,683
Provisions	7,074	-34	-4,605	-442	5,018	7,012

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The personnel-related provisions and miscellaneous provisions include provisions for restructuring. Included in the extrusion area in the amount of EUR 7,653,000.

Warranty reserves include costs arising from warranty obligations for products sold. The evaluation is based on empirical values for replacement deliveries and complaint credits in the past. It is expected that the majority of these costs will be incurred within the next fiscal year. The assumptions underlying the calculations are based on the current sales level and the currently available information about complaints.

As expected, the provisions should be fully consumed within the next 12 months.

The projected credit values of the defined benefit plan obligations and the anniversary payments developed as follows in the 2021 fiscal year:

in TEUR	2021
01/01/2021	1,474
Changes to scope of consolidation	1,259
Time spent on service	69
Subsequent service time expenditure	212
Actuarial profits / losses	11
thereof from changes in demographic assumptions	-
thereof from changes in financial assumptions	5
thereof from miscellaneous changes	6
Effects of plan reductions	-
Effects of settlements	- 124
Payments	- 73
12/31/2021	2,828

Contingent liabilities:

There is a legal dispute regarding the acquisition of Schur Flexibles Moneta s.r.o in 2014. In arbitration proceedings, accounts receivable in the amount of EUR 12 million plus interest and costs were awarded to the Group, which are not presented as an asset due to the lack of prospects of success of the execution. A counterclaim in the amount of EUR 10,000,000 against Schur was filed by the old owners of the Slovak company in May 2016, which is currently still being handled by the District Court Michalovce. The management of the Schur Group considers this counterclaim to be unjustified, since the reason stated in the statement of claim is not considered appropriate. The judgment from the counterclaim was set aside in 2019 in the second instance as erroneous and inappropriate and submitted to the court of first instance for a new decision with significant findings in favor of the Defendant. In the opinion of the management of the Schur Group, enforcement of the counterclaim thus seems hopeless.

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7.15 Investment grants

The investment subsidies in the amount of EUR 464,000 (12/31/2020: EUR 485,000; 01/01/2020: EUR 342,000) relate exclusively to investment funding for fixed assets that were not yet fully depreciated as of December 31, 2021.

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8 Notes to the consolidated profit and loss account

The consolidated profit and loss account is prepared according to the cost of sales method.

8.1 Sales revenue

The sales revenues are composed as follows:

Composition of sales revenues in TEUR	2021	2020 adjusted
Goods	648,567	487,023
Other	2,120	1,066
Services	916	831
Sales revenue	651,603	488,920

The Schur Flexibles Holding Group currently operates primarily in Europe. Sales are currently generated in the following geographical markets:

Region	2021	2020 adjusted
DACH	35%	33%
Southern Europe	22%	16%
Benelux + UK	17%	20%
Nordics + CEE	15%	17%
Southeast Europe	4%	4%
Miscellaneous	7%	10%

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8.2 Production costs of the services rendered to achieve the sales revenues

The following information is provided about the composition of the production costs of the services provided to achieve the sales revenues:

Information on production costs in TEUR	2021	2020 adjusted
Cost of materials	419,798	273,422
Personnel-related expenses	74,254	68,732
Depreciation	27,543	27,716
Other	34,987	30,181
Production costs of the services rendered to achieve the sales revenues	556,582	400,051

8.3 Miscellaneous operating income

Miscellaneous operating income is broken down as follows:

Miscellaneous operating income in TEUR	2021	2020 adjusted
Income from the sale of fixed assets	320	326
Investment grants recognized in the result	887	2,798
Income from currency conversion	1,865	1,924
Other operating income	6,144	3,416
Miscellaneous operating income	9,216	8,464

The other operating income includes subsidies, reimbursements of supplier suits and dissolutions of provisions.

8.4 Distribution costs

The following information is provided about the sales costs:

Information on the distribution costs in TEUR	2021	2020 adjusted
Outgoing freight	20,329	18,057
Personnel-related expenses	12,707	12,099
Other	5,262	4,462
Depreciation	372	508
Distribution costs incl. outgoing freight	38,670	35,126

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8.5 Administrative costs

The following information is provided about the administrative costs:

Information on administrative costs in TEUR	2021	2020 adjusted
Other	46,408	25,049
Personnel-related expenses	37,369	33,283
Depreciation	9,976	7,369
Administrative costs	93,753	65,701

With regard to the amount of depreciation on intangible assets as part of the depreciation, reference is made to Section 7.1 of this Appendix.

8.6 Miscellaneous operating expenses

Miscellaneous operating expenses amount to EUR 17,137,000 (previous year: EUR 6,630,000). These essentially include unscheduled depreciation and bad debt depreciation at EUR 8,216,000.

8.7 Personnel-related expenses

Personnel-related expenses are composed as follows:

Personnel-related expenses in TEUR	2021	2020 adjusted
Wages and salaries	97,701	93,379
Social security contributions	16,955	15,517
Pension scheme	4,113	3,707
Miscellaneous personnel-related expenses	5,559	1,511
Personnel-related expenses	124,329	114,115

8.8 Depreciation

In fiscal year 2021, unscheduled depreciation of EUR 8,216,000 was carried out. These essentially relate to leased equipment and machines that are no longer valuable.

With regard to the distribution of the scheduled depreciation to intangible assets and tangible assets, reference is made to the presentation of the development of the fixed assets in Section 7.1.

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8.9 Financial result

The financial result is as follows:

Financial result in TEUR	2021	2020 adjusted
Interest income	3,182	1,175
Interest expense	-25,360	-15,129
Net interest income	-22,178	-13,954
Miscellaneous financial result	2,198	-6,310
Financial result	-19,980	-20,263

8.10 Taxes on income and earnings

The taxes paid or owed on income and deferred taxes were recognized as taxes on income and earnings.

The expense for taxes on income was broken down as follows:

Tax expense / income in TEUR	2021	2020
Ongoing	-2,882	-4,979
Latent	-726	3,236
Total tax expense / income	-3,609	-1,743

The tax expense resulting from the application of the tax rate of Schur Flexibles Holding GesmbH in the amount of 25% can be transferred to the reported taxes on income as follows:

Earnings before taxes in TEUR	2021	2020
Continuing business units	-65,302	-30,388
Discontinued business units		
Earnings before taxes	-65,302	-30,388
Reconciliation of income tax expense	2021	2020
Earnings before income taxes including discontinued business units	-65,302	-30,388
Theoretical income tax expense (25%)	16,326	7,597
Deviating tax rates	606	-217
Non-deductible operating expenses	-7,742	-2,736
Failure to capitalize loss carried forward	-10,108	-5,594
Miscellaneous	-3,415	356
Tax-exempt income	931	487
Tax expense for previous years	-337	-91
Capitalization of loss carried forward from previous years	111	-179
Effect of changes in the tax rate on deferred taxes	21	-1,366
Actual income tax expense / income	-3,608	-1,743

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Deferred tax assets and liabilities result from temporary differences and tax loss carried forward as follows:

Breakdown and netting of deferred taxes in TEUR	Assets	Liabilities	Balance 2020	Assets	Liabilities	Balance 2021	Change
Intangible fixed assets	973	11,273	-10,299	216	17,408	-17,191	-6,892
Building, land	83	3,622	-3,540	106	5,620	-5,514	-1,974
Machines and machine systems	3,985	5,486	-1,502	3,760	4,107	-347	1,154
Miscellaneous fixed assets	94	77	16	32	441	-409	-426
Inventories	613	89	524	814	-27	841	317
Miscellaneous current assets	343	599	-256	1,071	1,117	-46	210
Accounts payable	7,633	-1,164	8,797	4,558	-403	4,960	-3,837
Sum of temporary differences	13,724	19,983	-6,260	10,556	28,263	-17,707	-11,448
Capitalized loss carried forward	4,395		4,395	4,636		4,636	241
Total deferred taxes (unbalanced)	18,119	19,983	-1,865	15,192	28,263	-13,071	-11,206
Netting of deferred taxes	16,219	16,219		12,897	12,849		
Deferred taxes (netted)	1,899	3,764		2,295	15,414		
P&L effective change			3,236			-669	
Currency effects from the consolidation			-91			14	
Company mergers						-10,483	
Financial instruments recognized in Miscellaneous comprehensive income			7			-11	
Total change in deferred taxes			3,151			-11,149	

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Within the group, tax entities exist in France (corporate tax), the Netherlands (corporate tax) and Denmark (corporate tax). In Germany (corporation tax, trade tax, VAT - VAT group exists with Schur Flexibles Germany GmbH as the tax group parent), a tax group also exists, whereby the tax group parent Schur Flexibles GmbH is outside the scope of consolidation, but the German subsidiaries within the scope of consolidation belong to it. Therefore, no deferred tax assets or liabilities are formed in these subsidiaries.

Deferred tax assets on loss carried forward in the amount of EUR 4,636,000 (previous year: EUR 4,395,000) were recognized, which relate to the tax loss carried forward of the French Uni Packaging Group in the amount of EUR 2,973,000 (previous year: EUR 2,880,000).

As of December 31, 2021, there are still unused tax losses in the amount of around EUR 118,018,000 (previous year: EUR 73,303,000), for which no deferred tax claim was recognized. Of these, EUR 443,000 is limited in time.

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9 Miscellaneous information

9.1 Financial instruments

9.1.1 Book and fair values of financial instruments

In the Group, financial instruments are classified analogously to the respective balance sheet items. For short-term financial instruments, no fair value information is given in accordance with IFRS 7.29a. The following overview shows a transition of the classes to the categories of IFRS 9 and the respective fair values (fair value).

Assets in TEUR 12/31/2021	Book value	Appropriation of value	Amortized Cost (AC)	Fair Value through Profit and loss (FVPL)	Derivatives in hedge accounting	Fair value	Fair Value Level
Long-term assets							
Financial assets	57	AC	57			n/a	n/a
Short-term assets							
Issued shareholder loans	139,061	AC	139,061			n/a	n/a
Trade accounts receivable	66,657	AC	66,657			n/a	n/a
Miscellaneous assets	44,684		25,861				
Miscellaneous financial assets	25,861	AC	25,861			n/a	n/a
Miscellaneous non-financial assets	18,823	n/a				n/a	n/a
Means of payment	19,582	AC	19,582			n/a	n/a
Total	270,040		251,217				

Accounts payable in TEUR 12/31/2021	Book value	Appropriation of value	Financial Liabilities at Amortized Cost (FLAC)	Fair Value through Profit and Loss (FVPL)	Derivatives in hedge accounting	Fair value	Fair Value Level
Shareholder loans	0	AC	0				
Long-term accounts payable							
Long-term financial liabilities	56,746						
Long-term accounts payable to banks	26,576	AC	26,576			26,576	2
Long-term accounts payable from leasing	27,467	n/a				n/a	n/a
Long-term miscellaneous financial liabilities	2,704	AC	2,704			2,704	2
Long-term miscellaneous accounts payable	19,053						
Long-term miscellaneous financial liabilities	17,653	AC	495	17,158		495	2
Long-term miscellaneous non-financial liabilities	1,400	n/a				n/a	n/a
Short-term accounts payable							
Trade accounts payable	108,960	AC	108,960			n/a	n/a
Accounts payable from supply financing	84,662	AC	84,662			n/a	n/a
Short-term financial liabilities	40,909						
Short-term accounts payable to banks	8,329	AC	8,329			n/a	n/a
Short-term accounts payable from leasing	12,987	n/a				n/a	n/a
Current account credit	16,856	AC	16,856			n/a	n/a
Short-term miscellaneous financial liabilities	2,737	AC	2,737			n/a	n/a
Short-term miscellaneous accounts payable	54,806						
Derivatives	100	FVPL		100		100	2
Miscellaneous financial liabilities	47,571	AC/FVPL	31,859	4,009		n/a	n/a
Miscellaneous non-financial liabilities	6,934	n/a				n/a	n/a
Total	356,602		283,177	21,267			

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Assets in TEUR 12/31/2020	Book value December 31	Book value January 1	Appropriation of value	Amortized Cost (AC)	Fair Value through Profit and Loss (FVPL)	Derivatives in hedge accounting	Fair value	Fair Value Level
Long-term assets								
Financial assets	47	47	AC	47			n/a	n/a
Long-term assets								
Issued shareholder loans	91,474	62,319	AC	91,474			n/a	n/a
Trade accounts receivable	36,370	41,234	AC	36,404			n/a	n/a
Miscellaneous assets	27,073	42,679		32,112				
Miscellaneous financial assets	22,326	32,112	AC	32,112			n/a	n/a
Miscellaneous non-financial assets	4,747	10,567	n/a				n/a	n/a
Means of payment	19,202	10,401	AC	19,202			n/a	n/a
Total	174,166	156,580		179,239				
Accounts payable in TEUR 12/31/2020	Book value December 31	Book value January 1	Appropriation of value	Financial Liabilities at Amortized Cost	Fair Value through Profit and Loss (FVPL)	Derivatives in hedge accounting	Fair value	Fair Value Level
Shareholder loans	0	0	AC	0				
Long-term accounts payable								
Long-term financial liabilities	56,674	58,061						
Long-term accounts payable to banks	20,780	12,055	AC	20,780			20,780	2
Long-term accounts payable from leasing	33,568	41,580	n/a				n/a	n/a
Long-term miscellaneous financial liabilities	2,326	2,426	AC	2,326			2,326	2
Long-term miscellaneous accounts payable	5,071	3,510						
Long-term miscellaneous financial liabilities	3,909	3,510	AC/FVPL	0	3,673	236	3,673	3
Long-term miscellaneous non-financial liabilities	1,162	0	n/a				n/a	n/a
Short-term accounts payable								
Trade accounts payable	77,914	97,455	AC	77,914			n/a	n/a
Accounts payable from supply financing	8,768	2,701	AC	8,768			n/a	n/a
Short-term financial liabilities	18,136	22,578						
Short-term accounts payable to banks	4,793	4,749	AC	4,793			n/a	n/a
Short-term accounts payable from leasing	10,890	15,282	n/a				n/a	n/a
Current account credit	2,453	2,547	AC	2,453			n/a	n/a
Short-term miscellaneous financial liabilities	0	0	AC	0			n/a	n/a
Short-term miscellaneous accounts payable	58,326	42,383						
Derivatives	151	197	FVPL		151		151	2
Miscellaneous financial liabilities	31,149	22,674	AC	31,149			n/a	n/a
Miscellaneous non-financial liabilities	27,026	19,511	n/a				n/a	n/a
Total	196,693	205,177		148,174	3,824			

If financial instruments are quoted on an active market, such as shares or bonds held, the respective quotation on this market represents the fair value. If there is no active market, the fair value is determined using actuarial methods.

The fair values of the interest rate swaps correspond to the respective market value, which is determined using suitable financial mathematical methods, such as discounting expected future cash flows taking into account the applicable market interest rates.

For cash and cash equivalents, short-term trade accounts receivable, miscellaneous short-term assets, short-term trade accounts payable and miscellaneous short-term accounts payable, the carrying amount is assumed to be a realistic estimate of the fair value due to the short remaining term.

The fair values of non-current financial assets and miscellaneous non-current financial liabilities correspond to the present values of the cash flows associated with the assets, taking into account the current interest rate parameters, which reflect market and partner-related changes in conditions and expectations.

In addition, miscellaneous financial liabilities include three put options in connection with the acquisition of the Uni Packaging Group in 2018, Druckerji Zwart BV and Schur Flexibles ABR SA, some of which were measured on the basis of significant unobservable parameters. These non-observable parameters include both the forecast EBITDA and the discount interest rate.

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The following table shows the development of the balance sheet items measured at fair value in Level 3, which consists exclusively of the put accounts payable from the company acquisition.

TEUR	01/01/2021	Additions	Disposals	Change recognized directly in equity	Change recognized in profit or loss	12/31/2021
Miscellaneous financial liabilities (put options)	3,673	13,630		0	-145	17,158

TEUR	01/01/2020	Additions	Disposals	Change recognized directly in equity	Change recognized in profit or loss	12/31/2020
Miscellaneous financial liabilities (put options)	4,635	0	-1,330	0	368	3,673

The assumptions regarding the operating performance of the Uni Packaging Group (EBITDA) are included as significant unobservable input parameters. EBITDA was derived on the basis of medium-term planning. A variation in the EBITDA of the Uni Packaging Group by +/-1% points would have no effect on the miscellaneous financial result, as the agreed minimum purchase price is applied to the current EBITDA and a change of +/-1% points.

At Schur Flexibles ABR SA, significant unobservable input parameters are the assumptions regarding the rate of increase in EBITDA. A variation of +/- 1% points has no significant effect.

Changes in the value of level 3 financial instruments measured at fair value are recognized in the item "Interest expenses and similar expenses".

9.1.2 Net results by valuation categories

The following table shows the net profits and losses (before taxes) of financial instruments taken into account in the profit and loss account, broken down according to the valuation categories of IFRS 9:

In thousand euros (TEUR)	12/31/2021	12/31/2020
Financial assets of the AC category	1,993	619
Financial assets of the category FVPL	0	0
Financial liabilities of the AC category	4,534	-5,667
Financial liabilities of the FVPL category	-145	368
Total	6,382	-4,680

The net result of the measurement category loans and receivables or at amortized cost includes results from the addition and reversal of valuation allowances on trade accounts receivable, results from bank charges, impairment losses on uncollectible accounts receivable, results from foreign currency translation and interest income.

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There were no significant effects from the fair value valuation of financial liabilities to FVTPL in 2021 and 2020.

The net result of the measurement category financial liabilities measured at amortized cost includes the result from interest expenses to third parties, for current account and long-term loans as well as guarantee commissions.

The net interest income from financial instruments valued at amortized costs is shown below:

In thousand euros (TEUR)	12/31/2021	12/31/2020
Interest income	3,182	1,175
Interest expenses	-25,360	-15,129
Total	-22,178	-13,954

9.1.3 Offsetting of financial assets and financial liabilities

With regard to financial assets, there are no offsetting options, enforceable master netting agreements or similar agreements.

9.1.4 Miscellaneous information on hedge accounting

In fiscal year 2021, changes in equity capital from cash flow hedges in the amount of EUR 133,000 (previous year: EUR 46,000) before taxes were recognized as a hedging reserve in equity capital in a manner that is neutral to income. Changes in fair value in equity capital after consideration of deferred taxes in the amount of EUR 0 (December 31, 2020: EUR -118,000 / January 1, 2020: EUR -153,000) were recognized from the derivative financial instruments held as of December 31, 2021. Realization is expected by no later than 2026 from the market interest rate changes hedged by hedging transactions. Profits and losses recognized in the hedging reserve in the OCI are recognized in the income statement in the period in which the hedged transaction affects the profit and loss account.

The prospective effectiveness is determined according to the critical term match method and the retrospective effectiveness is calculated according to the dollar offset method based on the hypothetical derivative method. No ineffectiveness occurred during the reporting period.

9.2 Financial risk management

With regard to finance and accounting, the internal control and risk management system has the function of ensuring the correctness of the accounting and financial reporting processes. The system contains principles and procedures as well as preventive and revealing controls. It aims to identify possible sources of error and to minimize the resulting risks. Among other things, regular checks are carried out to ensure that uniform Group accounting, valuation and account assignment guidelines are applied, that intra-Group transactions are fully recognized and eliminated accordingly in the consolidated financial statement, that matters relevant to accounting are recognized and presented accordingly and that the processes for the separation of functions and the principle of dual control are adhered to.

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At the beginning of the 2022 fiscal year, Schur Flexibles Holding GesmbH experienced financial difficulties, which were mainly due to irregularities and errors in financial reporting. The underlying processes are to be classified as deficient or absent in the past. The company's new management team appointed in 2022 has already implemented key process steps for proper accounting and financial reporting and will continue to expand these in the current fiscal year.

The risk management system is part of all planning, controlling and reporting structures. The management of the company regularly deals with risk management issues. The significant risks result from default and liquidity risks as well as interest and exchange rate risks. The company management creates and reviews risk management guidelines for each of these risks, which are presented below.

9.2.1 Default risk

Credit risk describes the risk of an economic loss resulting from a contracting party failing to meet its contractual payment obligations. Credit risk comprises both the direct default risk and the risk of a deterioration in creditworthiness, combined with the danger of a concentration of individual risks. The risk of default is monitored by means of regular control procedures.

Group guidelines ensure that the credit risk is limited vis-à-vis all counterparties. The maximum default risk is reflected by the book values of the financial assets recognized in the balance sheet. The Schur Flexibles Holding Group does not expect any losses due to the fact that the counterparties may not fulfill their contractual obligations.

Experience has shown that the credit default risk in the market of the Schur Flexible Holding Group is low. The customers are granted appropriate credit lines after an individual review. Credit information or historical data from previous business relationships are used to avoid defaults in payment. Some of the trade accounts receivable are covered by trade credit insurance, thus reducing the maximum credit default risk. The deductible is 0-15%.

Default risks are taken into account by means of individual value adjustments and flat-rate individual value adjustments. The historical defaults on accounts receivable were insignificant. It is assumed that the actual risk is covered by allowances for bad debts. For further information on impairment of trade accounts receivable, please refer to Chapter 7.4. In general, goods sold are subject to a retention of title clause until payment is made, so that the Group has a secured legal claim in the event of non-payment. In addition, credit insurance policies and any required bank guarantees have a risk-reducing effect.

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The default risk is reduced by only selecting banks and financial institutions as counterparties that have an investment grade rating when a transaction is concluded. To further limit risk, the assets are divided among several banking institutions.

For all financial assets except trade accounts receivable (see section 7.4), the carrying amounts listed below represent the maximum default risk. The following table assigns the assets to the relative default risk. Schur Flexibles Holding Group assumes that all assets are properly serviced. No valuation allowances were therefore recognized for such financial instruments due to immateriality.

Financial assets in TEUR 12/31/2021	Credit risk	Depreciation rate	Gross book value
Means of payment	low	12M ECL	19,582
Loans issued	low	12M ECL	139,061
Miscellaneous financial assets	low	12M ECL	25,917

Financial assets adjusted in TEUR 12/31/2020	Credit risk	Depreciation rate	Gross book value
Means of payment	low	12M ECL	19,202
Loans issued	low	12M ECL	91,474
Miscellaneous financial assets	low	12M ECL	22,373

Financial assets adjusted in TEUR 01/01/2020	Credit risk	Depreciation rate	Gross book value
Means of payment	low	12M ECL	10,401
Loans issued	low	12M ECL	62,319
Miscellaneous financial assets	low	12M ECL	32,159

9.2.2 Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its financial liabilities as contractually agreed by delivering cash or other financial assets. Liquidity risk also includes the risk of not being able to procure sufficient liquidity at the expected conditions when required (refinancing risk) or not being able to liquidate or close out transactions at all or only at a loss due to insufficient market depth or market disruptions (market liquidity risk).

The purpose of managing the Group's liquidity is to ensure that sufficient cash and cash equivalents are always available to meet payment obligations as they fall due under both normal and strained conditions without incurring unacceptable losses or damaging the Group's reputation.

The Group manages liquidity development as part of a rolling liquidity forecast and as part of the budgeting and forecasting process. As part of the cash pool introduced in 2015, the Group companies were granted credit lines, compliance with which is monitored daily. Liquidity requirements and surpluses are balanced daily. Forward-looking liquidity planning and management takes into account cash inflows and outflows from operating activities, investing activities and payments relating to financial liabilities.

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The following overview of maturities shows all contractually fixed payments for redemptions, repayments and interest from recognized financial liabilities including derivative financial instruments with a negative fair value. If a counterparty can choose when an amount is paid, the account payable is allocated to the earliest period. For derivative financial instruments for which a gross payment settlement has generally been agreed, the gross cash flows are stated as part of the maturity analysis, while the undiscounted cash flows for the next fiscal years are stated for the other obligations. All financial instruments held on the balance sheet date and for which payments had already been contractually agreed were included. Planned figures for future new accounts payable have not been included in this presentation.

Maturity of non-derivative liabilities in TEUR	Up to 1 year	Previous year adjusted	2 to 5 years	Previous year adjusted	more than 5 years	Previous year adjusted
financial liabilities	27,922	7,246	24,923	19,407	4,357	3,699
Accounts payable from leasing	12,987	10,890	23,410	29,300	4,057	4,268
Trade accounts payable	108,960	77,914				
Supply financing	84,662	8,758				
Miscellaneous accounts payable	47,571	31,149	17,653	3,909		
Total	282,102	135,957	65,986	52,616	8,414	7,967

In addition to the liquid funds in the amount of EUR 19,582,000 (12/31/2020: EUR 19,202,000; 01/01/2020: EUR 10,401,000), the Schur Flexible Holding Group also maintains other liquidity reserves that are available at short notice. In addition to existing means of payment, these liquidity reserves are still not yet exhausted credit lines of Schur Flexibles GmbH as of December 31, 2021, in the amount of EUR 85,000,000 (12/31/2020: EUR 100,000,000; 01/01/2020: EUR 25,000,000), which is also available to the Schur Flexibles Holding Group in the course of the cash pooling agreement. Due to the erroneous financial information that became apparent at the beginning of the 2022 fiscal year, this liquidity would not have been available, because the erroneous financial information represented a reason for termination in the contract.

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9.2.3 Interest risk

Interest risks arise from balance sheet and non-balance sheet interest-bearing financial instruments and are dependent on market interest volatility. Market interest rate volatilities represent both changes in interest rate levels and rotations in the interest rate structure.

The overall effect determined by the sensitivity analysis relates to the interest-bearing portfolio of financial instruments as of the balance sheet date and shows the effect on equity capital and net interest income due to a parallel shift in the yield curve and a revaluation of fixed-interest financial instruments measured at fair value. In the sensitivity analysis, variable-interest original financial instruments have an effect on net interest income. Fixed-interest financial instruments generally have no effect on net interest income.

As of December 31, 2021, there were no significant interest rate hedging transactions. Short-term credit lines are largely linked to the EURIBOR and are subject to the usual interest rate risk. In relation to the financial liabilities not hedged with regard to the interest rate, an increase or decrease in the interest rate by 1% would have led to an increase/decrease in interest expenses of EUR 5,123,000 (2020: EUR 3,065,000).

9.2.4 Exchange rate risk

Currency risks within the meaning of IFRS 7 result from the denomination of financial instruments in a foreign currency that does not correspond to the functional currency of the Group. Exchange rate-related differences from the conversion of financial statements into the group currency are not taken into account. Financial instruments in functional currency and non-monetary positions, on the other hand, have no currency risk.

In principle, the Group is subject to an exchange rate risk due to its international business activity. However, as the majority of business is currently conducted in euros, currency hedging is not currently considered necessary. The company management regularly monitors developments in relation to the exchange rate risk so that appropriate risk-limiting measures can be introduced if the risk increases.

9.3 Capital management

The Schur Flexibles Group's capital is managed outside the scope of consolidation at the level of Schur Flexibles GmbH, which has concluded the main financing arrangements with third parties.

The key figures specified in the loan contract must therefore be taken into account in the context of capital management:

Total leverage = net debt / divided by EBITDA as defined in the respective loan agreement

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In addition to the financial covenants, there are also information covenants that require the submission of annual balance sheets, profit and loss accounts, cash flow statements and consolidated financial statement.

As a result of the disclosure of the erroneous financial information, the lenders were informed of this on February 24, 2022 and negotiations began on a comprehensive restructuring of the Group's financing (see section 5).

9.4 Relationships with related persons and companies

Related parties are companies and persons who have the ability to control the Schur Flexibles Holding Group or exercise significant influence over its financial and operating policies.

9.4.1 Related companies

The affiliated companies included in the consolidated financial statement are to be regarded as related parties. The parent company of Schur Flexibles Holding GesmbH is Schur Flexibles GmbH. B&C KB Holding GmbH is the direct majority shareholder of the Schur Flexibles Group and B&C Privatstiftung [Private Foundation] is the ultimate controlling legal entity. B&C Holding Österreich GmbH is the indirect majority shareholder that prepares and publishes consolidated financial statement in which the Schur Flexibles Group is included.

Schur Flexibles GmbH has issued loans to Schur Flexibles Holding GesmbH and its subsidiaries. These are reported as shareholder loans in the consolidated balance sheet and amounted to EUR 371,930,000 as of December 31, 2021 (December 31, 2020: EUR 150,420,000 / January 1, 2020: EUR 139,850,000). In connection with these loans, interest in the amount of EUR 20,119,000 was offset in 2021.

Atlas Flexibles GmbH has issued loans to a subsidiary of Schur Flexibles Holding GesmbH. These are reported as shareholder loans in the consolidated balance sheet as of December 31, 2021 (December 31, 2020: EUR 15,050,000 / January 1, 2020: EUR 15,050,000) and the unpaid interest is reported as miscellaneous account payable and amounted to EUR 2,794,000 as of December 31, 2021 (December 31, 2020: EUR 1,854,000 / January 1, 2020: EUR 947,000).

Schur Flexibles GmbH has received a loan from the Schur Flexibles Group in the amount of EUR 46,665,000 (December 31, 2020: EUR 16,165,000 / January 1, 2020: EUR 10,165,000). In connection with these loans, interest in the amount of EUR 1,993,000 was offset in 2021.

Various further charges are made between the Schur Flexibles Holding Group and Schur Flexibles GmbH. This resulted in trade accounts receivable in the amount of EUR 896,000 (12/31/2020: EUR 2,995,000; 01/01/2020: EUR 456,000) and trade accounts payable in the amount of EUR 8,472,000 (12/31/2019: EUR 3,109,000; 01/01/2020: EUR 4,078,000) as of the reporting date.

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Schur Flexibles Holding GesmbH has offset expenses in connection with the refinancing in the amount of EUR 328,000 to Schur Flexibles GmbH.

Due to existing profit and loss transfer agreements between Schur Flexibles GmbH and German subsidiaries of Schur Flexibles Holding GesmbH, there is a total account receivable from Schur Flexibles GmbH in the amount of EUR 3,140,000 as of December 31, 2021 (December 31, 2020: EUR 1,240,000 account payable; January 1, 2020: EUR 3,592,000 account receivable). These accounts payable and/or receivable become cash-effective in the following fiscal year.

There is a Group-wide cash pool at the level of Schur Flexibles GmbH, which is not part of the scope of consolidation from which the Group companies are financed. This is included in the shareholder loan item in the amount of EUR 134,061,000 (December 31, 2019: EUR 91,474,000 / January 1, 2019: EUR 62,319,000) and in short-term financial liabilities in the amount of EUR 28,004,000 (December 31, 2020: EUR 66,498,000 / January 1, 2020: EUR 38,889,000).

Furthermore, the companies maintain IC transactions with each other with regard to merchandise management, the manufacture of primary products, financing and management activities.

9.4.2 Related (natural) persons

Members of the management of the Schur Flexibles Holding Group who hold a key position are or were:

- Michael Schernthaner (until 11/08/1978)
- Mr. Fritz Humer (until 10/31/2021)
- Mr. Juan Luis Martinez Arteaga
- Mr. Mathias Breuer (from 01/01/2022)
- Mr. Marek Pawlak (from 01/01/2022)
- Mr. Josef Schultheis (from 03/30/ 2022)

There is also a voluntarily appointed advisory board at the level of Schur Flexibles Holding GesmbH, Vienna Neudorf, Austria. This Advisory Board consists of the following members:

- Dr. Thomas Ludwig (until 09/30/2021 and from 01/01/2022)
- Thomas Unger (until 09/30/2021 and from 10/07/2021 to 12/31/2021)
- Michael Dees (until 09/30/2021)
- Paul Pruss (05/07/2021 to 09/30/2021)
- Thomas Zimpfer (from 10/07/2021)
- Dr. Markus Fürst (from 10/07/2021)
- Herbert Ortner (from 10/07/2021)
- Dr. Alexander Moser-Parapatits (from 10/07/2021)

Functional fees or miscellaneous remuneration in the amount of EUR 320,000 (previous year: EUR 200,000) were paid out in 2021 for working as advisory board members. In addition, no further services were invoiced by the Advisory Board.

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9.4.3 Remuneration

Remuneration of key management in TEUR	2021	2020
Salaries and miscellaneous short-term benefits	6,558	8,884
Benefits after the end of the employment relationship	0	0
Other long-term benefits due	0	0
Payments on the occasion of the termination of the employment relationship	0	0
Share-based remuneration	0	0
Remuneration of key management	6,558	8,884

There were also unexplained payment flows to a former managing director in the 2021 fiscal year amounting to EUR 4,000,000. These were recognized as expenses in the item "Administrative costs".

The company is aware that the former managing directors Schernthaner, Humer and Martinez were offered the opportunity to acquire shares in the company by companies of the Lindsay Goldberg Group in 2018 and 2019. Schur Flexibles Holding GesmbH does not have any contracts in this regard, nor have any contracts been entered into or payments made from this title; no further information can be obtained on the grounds of strict confidentiality. Due to the lack of available documents, it is not possible to obtain a conclusive picture of this circumstance and a complete assessment is therefore not possible. Accordingly, a qualified audit of the applicable accounting standards is also not possible, and the company has therefore refrained from preparing a balance sheet.

9.5 Employees

The average number of employees of Schur Flexibles Holding Group in fiscal year 2021 was 2,073 (previous year: 1,955 employees).

9.6 Miscellaneous financial obligations and contingent liabilities**9.6.1 Miscellaneous financial obligations**

As of December 31, 2021, there are no other financial obligations.

9.6.2 Contingent liabilities from existing contracts

As guarantors, the significant Group companies have acceded to the new loan agreement with a liability volume of up to EUR 575,000.

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9.7 Notes to the consolidated cash flow statement

Cash flow from current business activities was EUR 29,735,000 (previous year: EUR 18,616,000).

Cash flow from investing activities amounted to EUR 170,836,000 (previous year: EUR 26,470,000) and is largely attributable to investments in machinery amounting to EUR -32,458,000 (previous year: EUR -19,380,000) and payments for the acquisition of shares in subsidiaries amounting to EUR -105,230,000 (previous year: EUR -1,556,000).

Cash flow from financing activities amounted to EUR 141,606,000 (previous year: EUR 16,425,000) and resulted primarily from the raising of shareholder loans and cash pool in the amount of EUR 265,327,000 (previous year: EUR 52,561,000), as well as the repayment of shareholder loans and cash pool in the amount of EUR 108,406,000 (previous year: EUR 46,055,000).

Regarding the maturity of financial liabilities, we refer to Section 9.2.2. in the Notes to the consolidated financial statement.

The cash and non-cash changes in financial liabilities are as follows:

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Notes to the consolidated financial statement as of December 31, 2021

Schur Flexibles Holding GesmbH, Vienna Neudorf

Reconciliation of financing liabilities and supply financing in TEUR	01/01/2021	Cash-effective changes				Non-cash changes			Interest expense	12/31/2021
		Admission	Repayment	Acquisitions	Additions from leasing contracts	Effective interest method	Exchange rate- related changes	Reclassifications		
Accounts payable to banks	25,573	3,535	-7,703	13,918	0	0	0	-462	43	34,904
Miscellaneous financial liabilities	2,326	2,388	-750	0	0	0	12	1,466	0	5,440
Accounts payable from leasing	44,458	0	-14,255	4,144	11,223	0	4	-5,120	0	40,454
Accounts payable from supply financing	8,758	253,346	-177,443	0	0	0	0	0	0	84,662
Current account lines	2,453	2,710	0	11,721	0	0	-28	0	0	16,856
Shareholder loans incl. cash pool liabilities	231,717	237,152	-37,644	0	0	-4,534	-6	11,950	0	414,736
	315,286	499,131	-237,796	29,783	11,223	-4,534	-19	-16,067	43	597,053

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Notes to the consolidated financial statement as of December 31, 2021

Schur Flexibles Holding GesmbH, Vienna Neudorf

Reconciliation of financing liabilities and supply financing in TEUR - adjusted	01/01/2020	Cash-effective changes				Non-cash changes			Interest expense	12/31/2020
		Admission	Repayment	Acquisitions	Additions from leasing contracts	Effective interest method	Exchange rate- related changes	Reclassifications		
Accounts payable to banks	16,804	11,024	-5,808	0	0	0	45	3,502	6	25,573
Miscellaneous financial liabilities	2,426	0	-100	0	0	0	0	0	0	2,326
Accounts payable from leasing	56,862	0	-12,185	0	4,563	0	-99	-4,803	120	44,458
Accounts payable from supply financing	2,701	19,533	-13,476	0	0	0	0	0	0	8,758
Current account lines	2,547	0	-147	0	0	0	53	0	0	2,453
Shareholder loans incl. cash pool liabilities	193,540	39,911	-4,250	0	0	5,667	0	-3,150	0	231,718
	274,880	70,468	-35,966	0	4,563	5,667	-1	-4,450	126	315,286

Notes to the consolidated financial statement as of December 31, 2021

Schur Flexibles Holding GesmbH, Vienna Neudorf

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9.8 Events after the balance sheet date

On February 24, 2022, Russia launched a war of aggression against Ukraine. The EU heads of state and government then decided on a comprehensive package of punitive sanctions against Russia (and Belarus), which includes international measures in the energy, finance and transportation sectors, restrictions on the import of technology goods and export controls and visa restrictions. As a result, the EU, the USA and other Western partners decided to impose sanctions on the Russian central bank and to exclude certain Russian financial institutions from the "SWIFT" banking communications network, which enables secure and fast international payments. Russian Rubel (RUB) reacted to it with a massive decline in value. The Russian central bank subsequently introduced currency restrictions in order to stabilize the Russian currency market. The international rating agencies have now significantly downgraded Russia's credit rating. The USA also responded to the Russian war of aggression against Ukraine with an import ban on Russian oil and gas; the EU is also discussing a gradual halt to oil, gas and coal supplies from Russia.

The energy prices responded at record values by the time of approval to publish the consolidated financial statement as of December 31, 2021. The consequences of these developments are, in particular, material shortages, increased and more volatile prices for energy, raw materials, primary and intermediate products, transportation and supply chain problems, changes in interest rates and interest rate expectations, increased inflation expectations and an increased risk of companies being exposed to cyber attacks.

In the 2021 fiscal year, the Schur Flexibles Holding Group's sales to customers in the countries affected by the Russia-Ukraine conflict amounted to less than 1% of total sales.

In terms of raw and auxiliary materials, the Schur Flexibles Holding Group will be particularly exposed to material bottlenecks as well as increases in energy and raw material prices. Material shortages can lead to friction in production and consequently to delivery delays and restrictions. The Group's management is monitoring geopolitical and market-related developments very closely, building up and expanding safety stocks of critical raw and auxiliary materials, intensifying multiple sourcing and continuing to promote solution-oriented cooperation between supply chain management, procurement, research & development and production.

The possibilities for passing on higher input factor costs will be decisive; this will depend on the price sensitivity of the respective customers and the dynamics on the segment-specific product markets.

Apart from the developments described in section 5, the 139th session of the National Council on January 20, 2022 resolved to gradually reduce corporate income tax from 25% to 23% in 2024. Based on a preliminary estimate, this change would only have minor effects on the SFH consolidated financial statement. Regarding going concern, reference is made to Chapter 5.

Notes to the consolidated financial statement as of December 31, 2021

Schur Flexibles Holding GesmbH, Vienna Neudorf

9.9 Fee of the auditor

The following fees are recognized for services provided by the auditing firm Deloitte Audit Wirtschaftsprüfungs GmbH for the 2021 fiscal year (previous year: PwC Wirtschaftsprüfungs GmbH):

Fee of the auditor in TEUR	2021	2020
Annual financial statement audit	811	231
Miscellaneous certification services		140
Miscellaneous consulting services		273
Fee of the auditor	811	644

Notes to the consolidated financial statement as of December 31, 2021

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Schur Flexibles Holding GesmbH, Vienna Neudorf

9.10 Exemption from the disclosure obligation of the financial statement

The following companies claim exemption from the disclosure obligation for their respective financial statement as of December 31, 2021, or in the previous year as of December 31, 2020, in accordance with § 264 para. 3 of the Commercial Code [*Handelsgesetzbuch, HGB*]:

Annual financial statement of

- Schur Flexibles Germany GmbH, Berlin, Germany
- Schur Flexibles Dixie GmbH, Kempten, Germany
- Schur Flexibles Flexofol GmbH, Kempten, Germany
- Schur Flexibles Vacufof GmbH, Bad Grönenbach, Germany
- PS Polymer Sourcing GmbH, Warburg, Germany
- Schur Flexibles Dixie Films GmbH, Kempten, Germany
- Schur Flexibles Dixie Verwaltung GmbH, Kempten, Germany

For the sub-group financial statement of Schur Flexibles Germany GmbH, Berlin, Germany, the exemption from the obligation to prepare, audit and disclose the financial statement as of December 31, 2021, is claimed pursuant to § 291 para. 2 of the HGB.

Vienna Neudorf, September 23, 2022

[signature]
Juan Luis Martinez Arteaga
CEO

[signature]
Marek Pavlak
CSO

[signature]
Mathias Breuer
CFO

[signature]
Josef Schultheis
CRO

Consolidated management report

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Consolidated Management Report 2021
Schur Flexibles Holding GmbH, Vienna Neudorf

1 Preliminary remarks: Error correction regarding the IFRS consolidated financial statement and management report for fiscal year 2020

During the preparation of the consolidated financial statement for the fiscal year ending December 31, 2021, the management of Schur Flexibles Holding GesmbH identified material errors in the consolidated financial statement and consolidated management report as of December 31, 2020. The background, nature and numerical effects of errors discovered in previous consolidated financial statement of Schur Flexibles Holding GesmbH prior to publication of the consolidated financial statement as of December 31, 2021 are explained and presented in the notes in section 6. Unless otherwise stated, the figures for the 2020 fiscal year refer to the corrected data.

2 Principles of the Group

2.1 Business model

The Schur Flexibles Holding Group (also the "Group") is a leading European manufacturer of high-quality flexible packaging for the European consumer goods industry, in particular for food and beverage and hygiene applications as well as for the pharmaceutical industry. Despite the European focus, the products are also partially distributed worldwide. The value chain is fully covered within the Group, from the mono- and co-extrusion of films to the lamination and printing of films using gravure and flexographic printing processes through to packaging (e.g. bag production or slitting). The Group also operates a trading business with polymer granules, the most important raw materials of extrusion.

The Group produces at 23 locations throughout Europe.

The companies listed in the appendix under Chapter 2.2 are in the group of consolidated companies.

2.2 Objective and strategy

The strategic goal of the Schur Flexibles Holding Group is to further expand its already high market share and position as the leading packaging manufacturer in Europe within the European market for high-quality flexible packaging over the next five years. The past few years were characterized primarily by an expansive growth strategy through acquisitions of companies. In the near future, the focus will be on organic growth through the further development of sustainable packaging solutions, investment in future technologies, site optimization and the resulting increase in production efficiency, as well as strengthening the sales structure. In 2021, two acquisitions, both in Italy, were successfully carried out: SIDAC SpA was taken over in April, Termoplast S.r.l. was taken over in June. This expands the Group with two strong competence centers for tailor-made and sustainable packaging solutions on the Italian market. Sidac SpA focuses primarily on complex laminates supplied in rolls, which are used in the ready-to-eat convenience food and pet food sectors (stand-up pouches). With its modern, energy-efficient machinery, Termoplast S.r.l. produces a broad portfolio of films, including sealable films and particularly thin barrier films. The company, which focuses holistically on resource efficiency, primarily supplies the food industry as well as the medical and pharmaceutical sectors.

As the most important financial performance indicators, revenue and EBITDA in particular are the key management tools. The definition of the key figures can be found in the chapter on the earnings, financial and asset situation.

In EUR million	2021	2020
Sales revenue	651.6	488.9
EBITDA	0.8	27.0
<i>EBITDA in % of sales</i>	<i>0.1%</i>	<i>5.5%</i>
Trade working capital	54.2	23.7

3 Economic report

3.1 Overall economic and industry-related framework conditions

After the International Monetary Fund (IMF) forecast global economic growth of 5.5% at the start of 2021 and raised this figure to 6% in April 2021, actual development was slightly above these forecasts at an estimated 6.1%.

In terms of volume, the market for flexible packaging is generally relatively independent of macroeconomic developments and stable in terms of growth. Due to the measures taken in connection with the Covid-19 pandemic, demand for flexible packaging has increased slightly overall. The studies show that the European flexible packaging market grew by +1.5 % in 2021 based on volume. In terms of value, the global consumer packaging market achieved growth of +9% in 2021, driven by a sharp rise in prices on the relevant commodity markets. (Source: WoodMackenzie, European Flexible Packaging Strategic Planning Outlook, July 2022).

3.2 Operational business development

The market and competitive conditions in the market segments relevant to the Schur Flexibles Holding Group in the 2021 fiscal year were characterized by the challenges posed by COVID-19 and the sharp rise in raw material prices. In some market segments, there was a decline in volume, but this was more than offset by price increases, so that overall sales (excluding trading business and acquisitions) increased by 3.7% from EUR 418 million to EUR 433 million.

In 2020, demand in some product segments was positively influenced by the COVID-19 pandemic. This trend did not continue in 2021, particularly in the Tobacco segment, where sales are back at the 2019 level. The Confectionery segment - driven by the resumption of travel - recovered slightly in 2021, but has not yet reached pre-crisis levels. The Group recorded strong gains in the fresh meat and foil segments. Increased raw material prices were rapidly passed on, especially in the foils segment.

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At the end of the year, the Schur Flexibles Holding Group employed 2,063 people (previous year: 1,955). The performance and skills of these employees are the support of the company's success.

However, this solid development of the operating business was overshadowed by events that came to light in the final days of 2021 and led to economic difficulties that temporarily called the company's continued existence into question. These facts are explained in the Annex Chapter 6.

3.3 Earnings, financial and asset situation

Definition of key figures:

EBITDA (Earnings before Interest, Income Taxes, Depreciation and Amortization): Operating result plus depreciation, amortization and impairment losses on property, plant and equipment and intangible assets.

Equity ratio: Equity capital divided by the balance sheet total.

Trade Working Capital: Trade accounts receivable plus inventories less trade accounts payable.

3.3.1 Earnings situation

The past fiscal year was characterized by the challenges of the global COVID-19 pandemic and raw material price increases. Earnings were also impacted by the costs associated with the compliance irregularities described in section 6 of the Notes.

Overview of the earnings situation

In EUR million	2021	2020
Sales revenue	651.6	488.9
EBITDA	0.8	27.0
Operating result	-45.3	-10.1
Consolidated net loss	-68.9	-32.1

The turnover of Schur Flexibles Holding Group increased from EUR 488.9 million in 2020 to EUR 651.6 million in 2021. The increase is 33.3% and consists of the following components:

- The trading business grew by EUR 94 million from EUR 71.2 million in 2020 to EUR 165.2 million. Around one third of the increase is attributable to higher trading volumes and two thirds to higher prices.
- The companies acquired in 2021 contributed a total of EUR 56.3 million to Group sales after the respective acquisition date.

- At EUR 430.2 million, sales in the Flexibles division excluding new acquisitions were 3.0% higher than the previous year's figure of EUR 417.7 million.

Gross earnings from sales amounted to EUR 95.0 million. (previous year: EUR 88.9 million) or 14.6% (previous year: 18.2%) of sales. The decline is mainly due to the development of sales, in particular the relative increase in the trading business, as well as rising commodity prices.

The manufacturing costs (including depreciation) that mainly comprise material costs amounted to EUR 556.6m. (prior year: EUR 400.1 million) or 85.4% (prior year: 81.8%) of sales and are therefore the largest cost driver. Administrative costs amounted to EUR 93.8 million (previous year: EUR 65.7 million) or 14.4% (previous year: 13.4%) of sales and sales costs EUR 38.7 million (previous year: EUR 35.1 million) or 5.9% (previous year: 7.2%) of sales.

Miscellaneous operating income in the amount of EUR 9.2 million (prior year: EUR 8.5 million) contain cost reimbursements from shareholders amounting to EUR 2.6 million (previous year: 0), exchange rate profits in the amount of EUR 1.9 million (previous year: EUR 1.9 million), income from investment grants in the amount of EUR 0.9 million (previous year: EUR 2.8 million) In addition, profits from tangible assets sales of EUR 0.3 million (prior year: EUR 0.3 million) are recognized in Miscellaneous operating income.

Miscellaneous operating expenses amounted to EUR 17.1 million. (previous year: EUR 6.6 million). This amount includes unscheduled depreciation of EUR 8.2 million (prior year: EUR 1.5 million), expenses for restructuring provisions amounting to EUR 2.6 million (previous year: 0), adjustments to bad debt amounting to EUR 1.7 million (previous year: EUR 1.1 million) and exchange rate losses of EUR 1.6 million (previous year: EUR 2.8 million).

EBITDA in the past fiscal year amounted to EUR 0.8 million (previous year: EUR 27.0 million). This corresponds to 0.1% (previous year: 5.5%) of sales. The consolidated net loss was EUR -68.9 million (previous year: EUR -32.1 million).

The order backlog as of the reporting date corresponded to the industry-standard range of two to three months and allows for efficient scheduling as well as production and sales planning.

3.3.2 Financial position

As of December 31, 2021, the equity ratio was -12.5% (previous year: 0.1%). Shareholder loans comprised 56.0% (previous year: 47.7%) of the total capital. The financial liabilities (including accounts payable from leasing and accounts payable from supply financing) corresponded to a total of 24.6% (previous year: 17.2%) of the total capital.

Cash flow from ongoing business activities before taxes and interest amounted to EUR 54.5 million (previous year: EUR 34.1 million).

Cash flow from ongoing business activities amounted to EUR 29.7 million (prior year: EUR 18.6 million).

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Cash flow from investment activities amounted to EUR -170.8 million (previous year: EUR -26.5 million). Significant movements result from company acquisitions in the amount of EUR -105.2 million (previous year: EUR -1.6 million), and the investments made in the machinery plant amounting to EUR 32.5 million (previous year: EUR 19.4 million).

The cash flow from financing activities amounted to EUR 141.6 million (prior year: EUR 16.4 million). The take-up of shareholder loans and cash pool in the amount of EUR 265.3 million was a significant contribution (prior year: EUR 52.6 million) to the development.

Due to the circumstances described in section 6 of the notes, the credit lines from existing financing agreements could no longer be used at the end of the year. New shareholder loans and the other measures described in Chapter 5 of the annex were taken out. After the implementation of these measures, the company's solvency is now ensured in the long term.

3.3.3 Asset situation

The balance sheet total as of December 31, 2021, amounts to EUR 741.2 million (previous year: EUR 485.4 million). Trade working capital as of December 31, 2021, totals EUR 54.2 million (previous year: EUR 23.7 million). The change in trade working capital is mainly due to the inclusion of new acquisitions and increases in prices.

Long-term assets amounted to EUR 372.9 million as of December 31, 2021 (prior year: EUR 245.3 million).

There are no other significant obligations beyond those recognized on the balance sheet date or disclosed in the consolidated financial statement.

A legal dispute against the subsidiary Schur Flexibles Moneta s.r.o. stems from the acquisition of significant parts of the Group from a group of sellers led by Capiton at the closing in 2016. This was decided in the first instance against the Schur Flexible Moneta s.r.o. In 2019, the judgment was set aside in the second instance as incorrect and inappropriate and submitted to the court of first instance for a new decision with significant findings in favor of the defendant. At the time of the preparation of the annual financial statement in question, the proceedings were legally decided in favor of Schur Flexibles Group. In addition, the legal dispute regarding the claim for damages in the amount of EUR 12.2 million plus interest against the former owners of the Slovakian company was decided in favor of the Schur Flexibles Group at the International Courts of Arbitration in April 2018. On the basis of this arbitration ruling, an enforcement title in the amount of EUR 16.6 million was issued in 2019 (consisting of EUR 12.2 million capital amount, EUR 3.6 million Interest, EUR 0.8 million procedural costs). Due to the uncertainties regarding collectability, the recognition of an asset in this regard was waived.

Criminal and civil law steps were initiated with regard to the facts described in Chapter 6 of the annex. However, the corresponding processes are still in a very early phase, which is why a statement on the expected outcome cannot yet be made.

Beyond this, there are no significant asset or liability proceedings that could have adverse legal or financial consequences for the Schur Flexibles Holding Group.

3.4 Employees

The Schur Flexibles Holding Group employed 2,063 employees at the end of the year (previous year: 1,955). The performance and skills of these employees are the support of the company's success. The Group is aware that investment in employee training and knowledge is necessary in order to remain successful on the market.

Thanks to the Europe-wide list, employees from all countries can learn and benefit from the know-how of other countries.

In order to find and promote the right employees, Group Management and Local Management have jointly developed various programs. These include trainee and support programs that are open.

In the coming fiscal year, this strategy will be further supported by the appointment of a Group HR Director.

3.5 Sustainability

The Schur Flexibles Holding Group is committed to protecting the environment and improving living conditions worldwide. With our vision as an "accelerator of change", we intend to play a leading role in the fight against climate change and global social problems and make a valuable contribution to combating them. As a Group, we support the UN Global Compact, the UN's sustainability goals and private sector initiatives such as "Operation Clean Sweep".

In our business operations, we experience on a daily basis how dependent we are on the availability of resources such as water, electricity or energy and clean air and the consequences of our usage behavior. Based on our previous experience in environmental protection, we have developed a forward-looking sustainability strategy with a holistic approach that encompasses the environmental, social and economic areas and are committed to making this strategy a success in the coming years. We rely on the 5Rs as strategic blow directions: responsibility, replacement, reduction, recycling and renewal. We have already derived the following exemplary initiatives from our strategy, which we are currently pursuing as Schur Flexibles.

- Environment:
 - o use of renewable, bio-based raw materials in production to reduce our fossil resource consumption,
 - o development of additional protective packaging to prevent food waste,
 - o use and generation of renewable energy to reduce harmful greenhouse gas emissions

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- Social issues:
 - o promoting gender equality and inclusion through improved internal exchange and workshops,
 - o continuous improvement of the health and safety of our employees through intensive training,
 - o promotion of professional and academic continuing education opportunities with different programs
- Economy:
 - o further development of our sustainable product portfolio with new technologies and materials,
 - o cooperation along the value chain with strong partners to realize the recycling economy
 - o selection of our suppliers under sustainability criteria

With our product innovations such as MonoFlow[®] and FlexiClose[®], we have already shown that we can meet current challenges with new, visionary solutions and make a contribution to environmental protection.

Our forward-looking sustainable product portfolio was once again awarded several awards in 2021, including the WorldStar Award 2021 in the "Packaging Materials & Components" category. This confirms that we are on the right track with our sustainability strategy and are already strongly positioned today as market leaders in an important future field.

3.6 Research & Development

The Schur Flexibles Holding Group conducts its R&D activities with the aim of developing sustainable, resource-saving and safe packaging concepts. For key projects with customers or external research partners, the group is available in particular for development centers in Allgäu or Finland and Denmark. Teams of developers and application engineers assigned to projects are networked with each other within the Group via a matrix organization.

Schur Flexibles Holding Group has a networked sales department to enable close cooperation between all departments. The research and development department is centrally structured and utilizes the know-how of the entire group with over 35 employees. Sustainability is not a process, but an integral part of the organization. Sustainability is therefore separated off as a separate role and positioned as an independent challenger to the overall R&D process.

The close networking within the Group enables very direct contact with customers in the respective market segments on the one hand and prompt recognition of user trends on the other. At the same time, however, there is also the possibility of allowing a wide variety of development trends to be incorporated into projects across product groups. Key projects in all production technology stages (extrusion, printing, concealment, packaging) and new product developments are implemented quickly and efficiently in this organizational form.

As a result, the Schur Flexibles Holding Group has market-leading material expertise, especially in monopolymer materials, which was achieved through early introduction. This is visible through award-winning monopolymer products such as the MonoFlow[®], which won the World Packaging Award in 2021. Now Schur is in a position to offer a recyclable monopolymer solution for all relevant end markets.

In the fiscal year, non-activable research and development costs of EUR 3.1 million (prior year: EUR 3.0 million) are recognized in the administrative costs. The book value of capitalized development costs as of December 31, 2021, amounted to EUR 5.7 million (previous year: EUR 6.4 million). It is also part of the Group's strategy to break new and sustainable ground in the flexible packaging industry and significantly increase the shelf life of packaged food. The aim is not only to avoid food waste, but also to protect the resources used to grow and produce food. These trends and the constant striving for product and production optimization lead to increased research and development activities in the Group's development centers.

3.7 Summary

In summary, the operating business performance in 2021 will be impacted by the extraordinary circumstances regarding irregularities in governance and financial information.

4 Risk, opportunity and forecast report

4.1 Risk report

Due to the events described in section 6 of the notes, it must be stated that the internal control systems were not sufficiently implemented with regard to compliance and the accuracy of financial information. However, it should be noted that the inadequacies identified related almost exclusively to the Group headquarters and that no irregularities were found in the subsidiaries. Management has taken decisive steps to set up the control systems in this regard and will also continue this path consistently. In particular, the following measures are taken:

- Dismissal of the presumably involved employees
- Appointment of a CFO
- Appointment of a CRO
- Temporary supervision and review of the monthly financial information by an auditing company
- Setting up the position of a compliance officer
- Implementation of a 13-week cash forecast process

4.1.1 Corporate shares held by bodies

The company is aware that the former managing directors Schernthaner, Humer and Martinez were offered the opportunity to acquire shares in the company by companies of the Lindsay Goldberg Group in 2018 and 2019.

Schur Flexibles Holding GesmbH does not have any contracts in this regard, nor have any contracts been entered into or payments made from this title; no further information can be obtained on the grounds of strict confidentiality.

Due to the lack of available documents, it is not possible to obtain a conclusive picture of this circumstance and a complete assessment is therefore not possible.

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Accordingly, a qualified audit of the applicable accounting standards is also not possible, and the company has therefore refrained from preparing a balance sheet.

4.1.2 Credit risk

Credit risk describes the risk of an economic loss resulting from a contracting party failing to meet its contractual payment obligations. Credit risk comprises both the direct default risk and the risk of a deterioration in creditworthiness, combined with the danger of a concentration of individual risks. The risk of default is monitored by means of regular control procedures.

Group guidelines ensure that the credit risk is limited vis-à-vis all counterparties. The maximum default risk is reflected by the carrying amounts of the financial assets recognized in the balance sheet, less the insured amount (an exception to this is continuing involvement in connection with factoring). The Schur Flexibles Group does not expect any losses beyond the impairments already recognized due to the fact that the counterparties may not be able to meet their contractual obligations.

Experience has shown that the credit default risk in the market of Schur Flexibles Group is low. The customers are granted appropriate credit lines after an individual review. With the introduction of IFRS 9 in 2018, the risk of impairment is now also assessed on the basis of expected losses (expected credit loss) and no longer on the basis of incurred losses, which means that increasingly forward-looking information is included in the assessment. In order to avoid payment defaults, external credit reports and/or information regarding current or expected negative business developments that could affect the debtor's ability to meet its obligations are obtained. Some of the trade accounts receivable are covered by trade credit insurance, thus reducing the maximum credit default risk. As of the balance sheet date, a portion of the trade accounts receivable is insured. The deductible is 0-15%. Various Schur Flexible companies are part of a factoring program.

When investing liquid funds, financial institutions are carefully selected. The default risk is reduced by only selecting banks and financial institutions as counterparties that have an investment grade rating when a transaction is concluded.

Newly acquired companies are regularly subjected to a tried-and-tested due diligence process before a binding offer is made in order to minimize or rule out as far as possible the consequences for the Group in terms of risk exposure. For each group company, it is checked annually whether there is adequate insurance coverage with regard to liability risks and possible damage cases.

Overall, the credit risk and the potential effects are classified as low. Due to the insurance of trade accounts receivable, there is only an insignificant risk with regard to bad debts.

4.1.3 Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its financial liabilities as contractually agreed by delivering cash or other financial assets. Liquidity risk also includes the risk of not being able to procure sufficient liquidity at the expected conditions when required (refinancing risk) or not being able to liquidate or close out transactions at all or only at a loss due to insufficient market depth or market disruptions (market liquidity risk).

Liquidity management within the Group is intended to ensure that sufficient cash and cash equivalents are always available to meet payment obligations as they fall due under both normal and strained conditions without incurring unacceptable losses or damaging the Group's reputation.

Due to the irregularities described in section 6 of the notes, there was an imminent liquidity shortfall towards the end of the fiscal year despite cash and cash equivalents of EUR 19.6 million. The measures described in section 5 of the notes and the strengthening of treasury instruments, such as the implementation of a 13-week cash forecast, will ensure the Group's solvency.

4.1.4 Interest risk

Interest risks arise from balance sheet and non-balance sheet interest-bearing financial instruments and are dependent on market interest volatility. Market interest rate volatilities represent both changes in interest rate levels and rotations in the interest rate structure.

For non-current financial liabilities with variable interest rates, interest rate hedges (swaps) are in place in some cases to hedge the interest-related cash flow risk. Such interest rate swaps have the economic effect of converting variable-interest loans into fixed-interest loans. Under these interest rate swaps, the Group agrees with other parties to exchange the difference between the fixed and variable interest rates derived from the agreed nominal amounts at regular intervals. Further information on the derivatives can be found in the Annex under Chapter 9. Short-term credit lines are largely linked to the EURIBOR and are subject to the usual interest rate risk.

Overall, the risk and the potential effects are classified as low.

4.1.5 Exchange rate risk

Currency risks result from the denomination of financial instruments in a foreign currency that does not correspond to the functional currency of the Group. Exchange rate-related differences from the conversion of financial statements into the group currency are not taken into account. Financial instruments in functional currency and non-monetary positions, on the other hand, have no currency risk.

In principle, the Group is subject to an exchange rate risk due to its international business activity. The company management regularly monitors developments in relation to the exchange rate risk so that appropriate risk-limiting measures can be introduced if the risk increases.

4.1.6 Miscellaneous risks

Risks arising from tax, competition, patent, environmental and other legal regulations are limited by using expert advice. Sufficient provisions are made for legal risks from past situations and their adequacy is checked at regular intervals.

In our opinion, a risk from the potential loss of know-how carriers is low. There are currently no discernible individual or aggregated risks that could endanger inventory.

4.2 Opportunity Report

In addition to the - continuously worked on - internal synergy and improvement potential, the restructuring of the capital structure and the associated change in the ownership structure provide a stable basic prerequisite for further exploiting the potential of the group of companies. In particular, the granted framework loans enable us to target growth opportunities and to strengthen the market position in the European core market.

4.3 Forecast Report

The IMF predicted growth of the global economy in 2022 of 3.2% in the global economic Outlook of July 2022. This development depends largely on the further development of the war in Ukraine and the sharp rise in prices for raw materials and energy in 2022. (Sources: IMF, July 2022, "World Economic Outlook").

The flexible packaging market in Europe, like the vast majority of different industries, is affected by a sharp increase in raw material prices and energy prices. The sales development will be driven essentially by raw material price increases passed on to customers. Experience has shown that the sector is more resilient than other industries when it comes to fluctuations in demand depending on the economy. So far, high inflation has not yet had an impact on consumer behavior for food, for example, but management expects a slight decline in general demand in the last third of 2022.

For the Schur Flexibles Holding Group, the management expects a stable development in sales volume and increases in sales driven by raw material prices in 2022. EBITDA will be heavily burdened by the costs of restructuring. Adjusted for these one-off effects, as well as the capitalization of future items on an IFRS-compliant basis, management expects a significant increase in earnings, which will continue in the following years.

Vienna Neudorf, September 23, 2022

[signature]

Juan Luis Martinez Arteaga

CEO

[signature]

Mathias Breuer

CFO

[signature]

Marek Pawlak

CSO

[signature]

Josef Schultheis

CRO

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Other appendices

KSW STEUERBERATER
WIRTSCHAFTSPRÜFER
[logo:] KSW CHAMBER OF TAX ADVISORS AND AUDITORS
**General Terms and Conditions
of Engagement for Public
Accountants (AAB 2018)**

Recommended by the Board of Directors of the Chamber of Tax Advisors and Auditors most recently by resolution dated April 18, 2018

Preamble and General

(1) Order within the meaning of these conditions means each contract for services to be rendered by the person entitled to carry out a public accounting profession in the exercise of this profession (both de facto activities as well as the commissioning or execution of legal transactions or legal acts, each within the framework of §§ 2 or 3 of the Act on Public Accounting Professions 2017 (*Wirtschaftstreuhandberufsgesetz, WTBG 2017*). The parties to the order are subsequently referred to as "Contractor" and as "Client".

(2) These General Terms and Conditions of Engagement for Public Accountants are divided into two parts: The order conditions of Part I apply to orders for which the order is placed by the company of the Client (contractor within the meaning of the Austrian Consumer Protection Act [*Konsumentenschutzgesetz, KSchG*]. For consumer transactions in accordance with the Consumer Protection Act (Federal Act as of March 8, 1979 / Federal Law Gazette [*Bundesgesetzblatt, BGBl.*] No. 140 in the currently valid version), they apply in this respect to the II. part does not contain any deviating provisions for these.

(3) In the event that an individual provision is invalid, it must be replaced by an effective provision that comes as close as possible to the intended goal.

I. PART

1. Scope and execution of the order

(1) The scope of the order is generally based on the written contract agreement between the Client and the Contractor. If a detailed written order agreement is missing in this regard, the following applies in case of doubt (2)-(4):

(2) When commissioning tax consultancy services, the consultancy activity includes the following activities:

- a) Preparation of annual tax returns for income or corporation tax as well as sales tax on the basis of the annual financial statements to be presented by the Client or (if agreed) prepared by the contractor and other statements and evidence required for taxation. Unless expressly agreed otherwise, the statements and evidence required for taxation must be provided by the Client.
- b) Examination of the decisions regarding the declarations mentioned under a).
- c) Negotiations with the tax authorities in connection with the declarations and decisions mentioned under a) and b).
- d) Participation in company audits and evaluation of the results of company audits with regard to the taxes mentioned under a).
- e) Participation in the appeal proceedings with regard to the taxes mentioned under a).

If the contractor receives a flat rate fee for ongoing tax advice, the activities listed under d) and e) must be paid for separately unless otherwise agreed in writing.

(3) To the extent that the preparation of one or more annual tax returns is part of the contract taken over, this does not include the review of any special accounting requirements or the examination of whether all relevant benefits, particularly those under sales tax law, have been taken advantage of, unless there is a verifiable commission for this.

(4) The obligation to provide other services in accordance with §§ 2 and 3 of the WTBG 2017 requires a separate order in any case.

(5) The above paragraphs (2) through (4) do not apply to expert activities.

(6) The contractor has no obligations whatsoever to provide services, warn or clarify the services beyond the scope of the order.

(7) The contractor is entitled to use suitable employees and other vicarious agents (subcontractors) to carry out the order, as well as to be substituted by an authorized professional when carrying out the order. Employees within the meaning of these conditions mean all persons who support the contractor in its operational activities on a regular or permanent basis, regardless of the type of legal basis.

(8) The contractor must exclusively take Austrian law into account when providing his services; Foreign law is only to be taken into account if expressly agreed in writing.

(9) If the legal situation changes after the final written and oral professional statement has been submitted, the contractor is not obliged to inform the Client of any changes or resulting consequences. This also applies to parts of an order that have been completed in and of themselves.

(10) The Client is obligated to ensure that the data provided by it may be processed by the Contractor within the framework of the provision of services. In this regard, the Client must in particular, but not exclusively, observe the applicable data protection and labor law provisions.

(11) If the contractor submits a notice to an authority electronically, he is acting - in the absence of an express agreement to the contrary - merely as a messenger and this does not constitute a declaration of intent or knowledge attributable to him or an authorized representative.

(12) The Client undertakes not to employ people who are or were employees of the contractor during the contractual relationship in his company or in a company related to him during and within one year after termination of the contractual relationship, otherwise he will agree to pay an annual salary for the employee taken on obliged to the contractor.

2. Client's duty to inform; declaration of completeness

(1) The Client must ensure that all documents necessary for the execution of the order are presented to the contractor on the agreed date and, in the absence of such a timely date, in an appropriate form, even without the contractor's special request, and that he is informed of all processes and circumstances that are relevant to the contract the execution of the order can be important. This also applies to documents, processes and circumstances that only become known during the contractor's work.

(2) The contractor is entitled to regard the information provided to him and the documents handed over by the Client, in particular figures, as correct and complete and to use this as the basis for the order. The Contractor is not obligated to determine inaccuracies without a separate written order. In particular, this also applies to the accuracy and completeness of invoices. However, if he discovers inaccuracies, he must notify the Client of this. In the criminal proceedings, it must protect the rights of the Client.

(3) The Client must confirm to the contractor in writing the completeness of the documents submitted as well as the information and explanations provided in the case of examinations, reports and expert work.

(4) If significant risks were not disclosed by the Client when preparing annual financial statements and other financial statements, the contractor has no obligation to pay compensation to the extent that these risks become apparent.

(5) Dates and schedules specified by the Contractor for the completion of the Contractor's Products or parts thereof are best estimates and, unless otherwise agreed in writing, are not binding. The same applies to any fee estimates: these are created to the best of their knowledge; however, they are always non-binding.

(6) The Client must provide the Contractor with current contact details (in particular delivery address). Until new contact details are announced, the contractor may rely on the validity of the contact details last given by the Client, in particular having delivery made to the last given address.

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3. Ensuring independence

(1) The Client is obliged to take all precautions to prevent the independence of the contractor's employees from being jeopardized and must refrain from any threat to this independence. This applies in particular to offers of employment and offers to take over orders for one's own account.

(2) The Client acknowledges that the personal data required for this purpose as well as the type and scope, including the service period, of the services agreed between the contractor and the Client (both audit and non-audit services) are used for the purpose of checking the existence of grounds for bias or exclusion and conflicts of interest in a possible network, to which the contractor belongs, processed and transmitted for this purpose to the other members of this network, including abroad. For this purpose, the Client expressly releases the Contractor from its confidentiality obligation in accordance with the Data Protection Act and in accordance with § 80 para. 4 no. 2 of the WTBG 2017. The Client may revoke the release from the confidentiality obligation at any time.

4. Reporting and Communication

(1) (Reporting by the contractor) A written report must be made for audits and expert opinions, unless otherwise agreed.

(2) (Communication to the Client) All order-related information and statements, including reports (all declarations of knowledge) from the contractor, its employees, other vicarious agents or substitutes ("professional statements") are only binding if they are made in writing. Professional statements in electronic file formats, which are made, transmitted or confirmed by fax or email or using similar forms of electronic communication (capable of storage and playback and not oral, e.g. SMS but not telephone), are deemed to be in writing; this applies exclusively to professional statements. The Client bears the risk of the professional statements being made by unauthorized persons and the risk of the transmission thereof.

(3) (Communication to the Client) The Client hereby agrees that the contractor carries out electronic communication with the Client (e.g. via email) in unencrypted form. The Client declares to be informed about the risks associated with the use of electronic communication (in particular access, confidentiality, changes to messages during transmission). The contractor, its employees, other vicarious agents or substitutes are not liable for damage caused by the use of electronic means of communication.

(4) (Communication to the contractor) The receipt and forwarding of information to the contractor and his employees is not always guaranteed when using telephone - especially in conjunction with automatic answering systems, fax, e-mail and other forms of electronic communication. Orders and important information are therefore only deemed to have been received by the contractor if they have also been received physically (not by phone or electronically), unless receipt is expressly confirmed in individual cases. Automatic transmission and reading confirmations are not deemed to be such explicit confirmations of receipt. This applies in particular to the transmission of notices and other information about deadlines. Critical and important messages must therefore be sent to the Contractor by mail or courier. The handover of documents to employees outside the law firm is not considered handover.

(5) (General) Written means in this respect not otherwise specified in point 4 (2), written nature within the meaning of § 886 of the Austrian General Civil Code [*Allgemeines bürgerliches Gesetzbuch, ABGB*] (Signature). An advanced electronic signature (Art. 26 eIDAS Regulation, (EU) No. 910/2014) meets the written requirement within the meaning of § 886 of the ABGB (Signature), insofar as this is within the Parties' disposition.

(6) (Advertising information) The contractor will regularly provide the Client with general tax law and general commercial law information electronically (e.g. by email). The Client acknowledges that it has the right to object to the sending of direct advertising at any time.

5. Protection of the intellectual property of the Contractor

(1) The Client is obligated to ensure that the reports, expert opinions, organizational plans, drafts, drawings, calculations and the like prepared by the Contractor within the framework of the order are only used for order purposes (e.g. pursuant to § 44 para. 3 of the Austrian Income Tax Act 1988 [*Einkommensteuergesetz, EStG 1988*]). Furthermore, the passing on of the contractor's written and oral professional statements to a third party requires the contractor's written consent for use.

(2) The use of the contractor's written and oral professional statements for advertising purposes is not permitted; a violation entitles the contractor to terminate without notice all of the Client's orders that have not yet been carried out.

(3) The Contractor retains the copyright to its services. The granting of work usage permits is reserved for the written consent of the Contractor.

6. Rectification of deficiencies

(1) The contractor is entitled and obliged to correct any subsequent inaccuracies and deficiencies in his written and oral professional statements and is obliged to inform the Client of this immediately. He is also entitled to inform third parties of the change about the original professional statement.

(2) The Client is entitled to have any inaccuracies corrected free of charge if the contractor is responsible for them; This claim expires six months after the contractor's service has been provided or - if a written professional statement is not made - six months after the termination of the contractor's activity in question.

(3) In the event of failures in rectifying any defects, the Client shall be entitled to a reduction. Insofar as there are further claims for damages, Point 7 applies.

7. Liability

(1) All liability regulations apply to all disputes in connection with the contractual relationship, regardless of the legal basis. The Contractor shall only be liable for damages in connection with the contractual relationship (including its termination) in the event of intent and gross negligence. The applicability of § 1298 clause 2 of the ABGB is excluded.

(2) In the event of gross negligence, the Contractor's obligation to pay compensation shall not exceed ten times the minimum sum insured of the professional liability insurance pursuant to § 11 of the WTBG 2017 in the currently valid version.

(3) The limitation of liability according to point 7 (2) refers to the individual claim. The individual case of damage includes all consequences of a breach of duty regardless of whether damages occurred in one or more consecutive years. Multiple actions or omissions based on the same or similar source of error are considered a single breach of duty if the matters in question are legally and economically related to one another. A single damage event remains a single damage event, even if it is based on several breaches of duty. Furthermore, except in the case of intentional damage, the contractor's liability for lost profits as well as incidental, consequential, incidental or similar damages is excluded.

(4) Any claim for damages can only be asserted in court within six months after the claimant(s) became aware of the damage, but at the latest within three years from the occurrence of the (primary) damage after the event giving rise to the claim, unless other statutory provisions require other limitation periods are fixed.

(5) In the case of the (inventory) applicability of § 275 of the UGB, its liability standards shall also apply if several persons were involved in the execution of the order or several acts obligatory to replace have been committed and regardless of whether other parties involved have acted intentionally.

(6) In cases in which a formal audit certificate is issued, the limitation period begins to run at the latest with the issuance of the audit certificate.

(7) If the activity is carried out with the involvement of a third party, e.g. a data processing company, any warranty and damage claims against the third party that arise or arise under law or contract are deemed to have been assigned to the Client upon notification to the Client. Without prejudice to point 4. (3), the contractor is liable in this case only for culpability in the selection of the third party.

(8) Liability of the Contractor to third parties is excluded in any case. If third parties come into contact with the contractor's work because of the Client in whatever form, the Client must expressly inform them of this circumstance. If such an exclusion of liability is not permitted by law or liability towards third parties has been exceptionally assumed by the contractor, these liability limitations also apply to third parties on a subsidiary basis. In any case, third parties may not assert claims that go beyond any claim of the Client. The maximum liability amount only applies once in total to all injured parties, including the Client's own claims for compensation, even if several people (the Client and a third party or several third parties) have been injured; Victims will be satisfied according to what they have done beforehand. The Client will indemnify and hold the contractor and its employees harmless from all third-party claims in connection with the passing on of the contractor's written and oral professional statements to these third parties.

(9) Point 7 also applies to any liability claims of the Client in connection with the contractual relationship with respect to third parties (performance and agency agents of the Contractor) and the substitutes of the Contractor.

8. Confidentiality obligation, data protection

(1) Pursuant to § 80 of the WTBG 2017, the Contractor is obligated to maintain secrecy about all matters that become known to it in connection with its work for the Client, unless the Client releases it from this secrecy obligation or contrary to statutory obligations to make statements.

(2) To the extent that it is necessary to pursue the contractor's claims (in particular claims for fees) or to defend against claims against the contractor (in particular claims for damages by the Client or third parties against the contractor), the contractor is released from his professional duty of confidentiality.

(3) The contractor may only hand over reports, reports and other written professional statements about the results of his work to third parties with the consent of the Client, unless there is a legal obligation to do so.

(4) The Contractor is responsible for data protection law within the meaning of the General Data Protection Regulation ("GDPR") with regard to all personal data processed within the framework of the order. The Contractor is therefore authorized to process personal data entrusted to it within the scope of the limits of the order. Materials provided to the contractor (paper and data carriers) will generally be handed over to the Client or to third parties named by the Client after completion of the relevant service provision or, if this has been separately agreed, stored or destroyed by the contractor. The Contractor is entitled to keep copies of them if it needs them for the proper documentation of its services or if it is legally required or professionally customary.

(5) If the contractor supports the Client in fulfilling the obligations towards those affected by the Client as the person responsible for data protection, the contractor is entitled to charge the Client for the actual effort incurred. The same applies to the expenses incurred for information in connection with the contractual relationship that are issued to these third parties by the Client after release from the confidentiality obligation.

9. Withdrawal and termination ("termination")

(1) The declaration of termination of an order must be made in writing (see also point 4 (4) and (5)). The expiration of an existing power of attorney does not result in the termination of the order.

(2) Unless otherwise agreed in writing or required by law, the contractual partners may terminate the contract at any time with immediate effect. The claim to the fee is determined according to point 11.

(3) However, unless otherwise agreed in writing, a standing order (limited or unlimited order for, although not exclusively, the provision of repeated individual services, even with a flat rate fee) can only be concluded without good cause and terminated subject to a notice period of three months ("termination period") at the end of a calendar month.

(4) After the termination of a standing order has been declared - unless otherwise specified below, only those individual works are still to be completed by the contractor (remaining order status) whose complete execution is (in principle) possible within the termination period, provided that this is within one month of the start of the run. The termination period must be communicated to the Client in writing in accordance with point 4 (2). The remaining order status must be completed within the termination period, provided that all required documents are provided in a timely manner and unless there is good cause that prevents this.

(5) If a standing order requires more than 2 similar works to be completed, usually only once a year (e.g. annual financial statements, tax returns, etc.), the works in excess of 2 will only count towards the remaining order status with the express consent of the Client. The Client must be explicitly informed of this circumstance in the announcement pursuant to Point 9 (4).

10. Termination in the event of delay in acceptance and omission of cooperation by the Client and legal implementation obstacles

(1) If the Client defaults on accepting the service offered by the contractor or if the Client fails to cooperate in accordance with point 2 or otherwise, the contractor is entitled to terminate the contract without notice. The same applies if the Client requests (even partially) the execution of the order, which, according to the reasonable opinion of the Contractor, does not correspond to the legal situation or professional principles. Its claims for remuneration are determined in accordance with point 11. Delay in acceptance and failure to cooperate on the part of the Client also give rise to the contractor's claim to compensation for the additional expenses

incurred as a result and the damage caused even if the contractor does not make use of his right of termination.

(2) In the case of contracts for the maintenance of the books, the performance of personnel processing or tax settlement, a termination without notice by the Contractor in accordance with Point 10 (1) is permissible if the Client demonstrably does not comply with its obligation to cooperate in accordance with Point 2. (1) twice.

11. Claim for fees

(1) If the order is not carried out (e.g. due to withdrawal or termination), the contractor is still entitled to the agreed remuneration (fee) if he was willing to perform the service and due to circumstances the cause of which lies on the part of the Client, the contractor remains merely contributory negligent in this regard out of bounds, prevented from doing so; In this case, the contractor does not need to take into account what he acquires or fails to acquire through other use of his and his employees' labor.

(2) When a standing order is terminated, the agreed fee is due for the remaining order status, provided it is completed or this is not completed for reasons attributable to the Client (reference is made to point 11. (1)). Agreed lump-sum fees must be aliquoted if necessary.

(3) If the Client fails to cooperate as required to carry out the work, the contractor is also entitled to set a reasonable deadline for him to do so with the declaration that if the deadline has expired without result, the contract is deemed to be canceled; otherwise the consequences of point 11 apply. (1).

(4) If the Client fails to comply with the termination deadline in accordance with point 9. (3) or if the contract is terminated in accordance with point 10. (2) by the contractor, the contractor retains the full fee entitlement for three months.

12. Fee

(1) Unless expressly agreed upon free of charge, an appropriate remuneration is owed in any case in accordance with § 1004 and § 1152 of the ABGB. The amount and type of the contractor's fee claim arise from the agreement made between the contractor and its Client. Unless another agreement has been demonstrably made, payments by the Client must always be offset against the oldest debt.

(2) The smallest billable power unit is a quarter hour.

(3) The travel time is also charged to the extent necessary.

(4) The study of files in the own law firm, which is necessary in terms of type and scope for the preparation of the contractor, can be invoiced separately.

(5) If an already agreed fee proves to be inadequate due to special circumstances that subsequently arise or due to special demands made by the Client, the contractor must inform the Client of this and renegotiations must be carried out to agree an appropriate fee (even if the flat-rate fees are inadequate).

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(6) The Contractor shall additionally offset the ancillary costs and the VAT. As an example but not conclusively in the following (7) through (9):

(7) The chargeable ancillary costs also include documented or flat-rate cash expenses, travel expenses (in the case of 1st class), allowances, mileage, copying costs and similar ancillary costs.

(8) In the case of special liability insurance requirements, the relevant insurance premiums (including insurance tax) are included in the ancillary costs.

(9) In addition, personnel-related and material expenses for the preparation of reports, expert opinions, etc. are also to be regarded as ancillary costs.

(10) For the execution of an order, the joint execution of which has been entrusted to several contractors, each of them will be charged the fee corresponding to their work.

(11) In the absence of other agreements, remuneration and advance payments are due immediately after they are asserted in writing. Interest on arrears may be charged for payments made later than 14 days after the due date. In the case of mutual business transactions, default interest applies at the rate set out in § 456 1st and 2nd clause of the UGB.

(12) The statute of limitations is based on § 1486 of the ABGB and begins at the end of the service or with later accounting within a reasonable period.

(13) An objection to invoices can be filed in writing with the Contractor within 4 weeks of the invoice date. Otherwise, the invoice is considered accepted. The inclusion of an invoice in the books is in any case considered an acknowledgement.

(14) The application of § 934 of the ABGB within the meaning of § 351 of the UGB, which is the contestation due to reduction of more than half for transactions among entrepreneurs, is waived.

(15) If a flat rate fee has been agreed for orders relating to the keeping of books, personnel administration or tax settlement, then, in the absence of any other written agreement, the representation activities in connection with tax and contribution audits of all kinds, including the conclusion of comparisons regarding tax assessment or contribution bases, reporting, legal remedies etc. must be rewarded separately. Unless otherwise agreed in writing, the fee shall be deemed to be agreed in each case for an order year.

(16) The processing of special individual questions in connection with the activities specified in point 12. (15), in particular findings on the principle existence of mandatory insurance, is only carried out on the basis of a special order.

(17) The contractor can demand appropriate advances and make his (continued) work dependent on the payment of these advances. In the case of standing orders, the provision of further services may be refused until the payment of earlier services (as well as any advance payments in accordance with sentence 1). This shall apply mutatis mutandis to the provision of partial services and open partial remuneration.

(18) A complaint about the contractor's work does not entitle the contractor to withhold even a partial withholding of the fees, other remuneration, cost reimbursements and advances (remuneration) to which he is entitled in accordance with point 12, except in the case of obvious, significant defects.

(19) Offsetting against claims of the Contractor on remuneration according to Point 12 is only permissible with undisputed or legally established claims.

13. Miscellaneous

(1) In connection with point 12 (17), reference is made to the statutory right of retention (§ 471 of the ABGB, § 369 of the UGB); If the right of retention is exercised wrongly, the contractor is generally liable in accordance with point 7, but in deviation from this only up to the amount of his outstanding claim.

(2) The Client has no claim to the fulfillment of working papers and similar documents created by the Contractor in the course of fulfilling the order. If the order is fulfilled using electronic accounting systems, the contractor is entitled, after handing over all data created by the contractor in relation to the order, for which the Client has an obligation to retain, in a structured, common and machine-readable format to the Client or to the subsequent accountant to delete data. The Contractor has a right to an appropriate fee for the transfer of this data in a structured, commonly used and machine-readable format (Point 12 applies accordingly). If it is impossible or impractical to hand over this data in a structured, common

and machine-readable format for special reasons, it can be handed over in full printout instead. In this case, this is not entitled to a fee.

(3) Upon request and at the expense of the Client, the Contractor must surrender all documents that it has received from the Client on the occasion of its activity. However, this does not apply to correspondence between the contractor and his Client and to documents that the Client has in original form and to documents that are subject to a retention obligation in accordance with the legal provisions applicable to the contractor to prevent money laundering. The Contractor may make copies or photocopies of documents that it returns to the Client. If these documents have already been transmitted to the Client once, the Contractor shall be entitled to an appropriate fee (Point 12 shall apply mutatis mutandis).

(4) The Client must collect the documents handed over to the contractor within 3 months of completion of the work. If the documents handed over are not collected, the contractor can, after twice verifiably requesting the Client to collect the documents handed over, return them at the client's expense and/or charge an appropriate fee (point 12 applies accordingly). Further storage may also be carried out at the expense of the Client by third parties. Furthermore, the Contractor shall not be liable for the consequences of damage, loss or destruction of the documents.

(5) The contractor is entitled to compensate any fee claims due with any deposit balances, settlement funds, trust funds or other liquid assets in his custody, even if they are expressly taken into custody, provided that the Client had to expect a counterclaim from the contractor.

(6) To secure an existing or future fee claim, the contractor is entitled to transfer a tax credit or another tax or contribution credit of the Client to a escrow account. In this case, the Client must be informed of the transfer. The secured amount can then be collected either in agreement with the Client or if the fee claim is enforceable.

14. Applicable law, place of fulfillment, place of jurisdiction

(1) Austrian law shall apply exclusively to the order, its implementation and the claims resulting therefrom, excluding the national right of reference.

(2) The place of performance is the place of the Contractor's professional branch office.

(3) The place of jurisdiction is - in the absence of a deviating written agreement - the objectively competent court of the place of performance.

II. PART

15. Supplementary provisions for consumer transactions

(1) The mandatory provisions of the Consumer Protection Act apply to contracts between public accountants and consumers.

(2) The Contractor shall only be liable for intentional and grossly negligent breach of the assumed obligations.

(3) Instead of the limitation standardized in point 7 para. 2, the Contractor's obligation to pay compensation is not limited, even in the case of gross negligence.

(4) Point 6 paragraph 2 (deadline for claim to remedy defects) and point 7 paragraph 4 (assertion of claims for damages within a certain period of time) do not apply.

(5) Right of withdrawal pursuant to § 3 of the KSchG:

If the consumer has not submitted his contractual declaration in the offices permanently used by the contractor, he can withdraw from his contractual application or from the contract. This withdrawal can be declared up to the conclusion of the contract or within one week thereafter; The period begins with the delivery to the consumer of a document containing at least the name and address of the contractor as well as information about the right of withdrawal, but at the earliest with the conclusion of the contract. The consumer is not entitled to the right of withdrawal

1. if it itself has initiated the business connection with the Contractor or its agents for the purpose of closing this contract,

2. if no discussions between the parties or their representatives have preceded the conclusion of the contract, or

3. for contracts in which the mutual services must be provided immediately if they are usually concluded by contractors outside their office premises and the agreed fee does not exceed € 15.

Withdrawal must be made in writing in order to be legally valid. It is sufficient if the consumer returns a document containing his or her contractual declaration or that of the contractor to the contractor with a note indicating that the consumer rejects the conclusion or maintenance of the contract. It is sufficient if the declaration is sent within one week.

If the consumer withdraws from the contract in accordance with § 3 of the KSchG,

1. the contractor to reimburse all services received including statutory interest from the day of receipt and to reimburse the necessary and useful effort made by the consumer on the matter,

2. the consumer shall compensate the Contractor for the value of the services, insofar as they are provided to the consumer for a clear and predominant benefit.

Pursuant to § 4 para. 3 of the KSchG, claims for damages remain unaffected.

(6) Cost estimates pursuant to § 5 of the KSchG:

For the preparation of a cost estimate within the meaning of § 1170a of the ABGB by the Contractor, the consumer must only pay a fee if he has been informed of this payment obligation in advance.

If the contract is based on a cost estimate from the contractor, its accuracy is deemed to be guaranteed unless the contrary is expressly stated.

(7) Rectification of deficiencies: Point 6 is added:

If the Contractor is obligated under § 932 of the ABGB to improve its services or to add anything missing, it must fulfill this obligation at the place where the item was handed over. If it is feasible for the consumer to receive the works and documents from the contractor, he can send them at his own risk and expense.

(8) Place of jurisdiction: Instead of item 14. (3), the following applies:

If the consumer has his domicile or habitual residence in the country or is employed in the country, a lawsuit against him in accordance with §§ 88, 89, 93 Paragraph 2 and 104 Paragraph 1 of the Jurisdiction Ordinance (*Jurisdiktionsnorm, JN*) can only be based on the jurisdiction of a court in which Sprengel is the place of residence, habitual residence or place of employment.

(9) Contracts for recurring services:

(a) Contracts through which the contractor undertakes to perform work and the consumer undertakes to make repeated payments of money and which have been concluded for an indefinite period of time or a period exceeding one year can be terminated by the consumer by giving two months' notice at the end of the first year, and then at the end of one year at a time cancel for half a year.

(b) If the entirety of the services is an indivisible service in its nature, the scope and price of which are already determined when the contract is concluded, the first termination date can be postponed until the end of the second year. In such contracts, the notice period may be extended to a maximum of six months.

(c) If the fulfillment of a specific contract stipulated in letter a) requires considerable expenditures by the Contractor and if the Contractor has announced this to the consumer at the latest at the time of the conclusion of the contract, then appropriate termination dates and termination notice periods may be agreed upon, which deviate from the notice stipulated in letters a) and b).

(d) A termination by the consumer that has not been announced in a timely manner shall become effective on the next termination date after the expiration of the termination period.

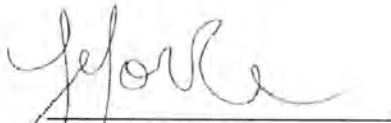


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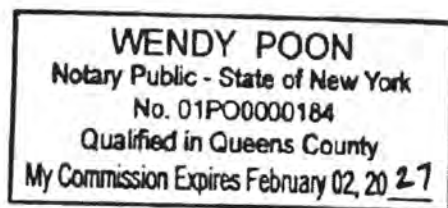
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City of New York, State of New York, County of New York

I, Jacqueline Yorke, hereby certify that the document “[TAB 72] 2021 12 31 Restated 2020 Financial Statements” is, to the best of my knowledge and belief, a true and accurate translation from German into English.


Jacqueline Yorke

Sworn to before me this
December 13, 2024


Signature, Notary Public

Stamp, Notary Public

RE: Project Sky - Weekly Follow-Up Call

From: "Kantenwein, Maxime" <maxime.kantenwein@gs.com>
 To: "Dees, Michael" <dees@lindsaygoldbergllc.com>, Thomas Unger <unger@lindsaygoldbergvogel.com>, Paul Pruss <pruss@lindsaygoldbergvogel.com>, "Scherthaner, Michael" <michael.scherthaner@schurflexibles.com>
 Cc: "Koester, Tobias" <tobias.koester@gs.com>, "Convey, Colin" <colin.convey@gs.com>, "van Wyk, Eduard" <eduard.vanwyk@gs.com>, "Droege, Christopher" <christopher.droege@gs.com>, "Wich, Matthias" <matthias.wich@gs.com>, "gs-sky-core@ny.email.gs.com" <gs-sky-core@gs.com>
 Date: Wed, 09 Oct 2019 10:36:26 -0400
 Attachments: Project Sky - Initial Lender Feedback DRAFT (09-Oct).pdf (288.76 kB)

Dear all,

Ahead of our weekly call, kindly see an initial overview of feedback we already gathered after the bank education presentation – please note that we are currently collecting further and more detailed feedback from the parties that attended.

Many thanks,

Maxime

Original Appointment

From: Kantenwein, Maxime [IBD]

Sent: 08 October 2019 02:34

To: Kantenwein, Maxime [IBD]; 'dees@lindsaygoldbergllc.com'; 'unger@lindsaygoldbergvogel.com'; 'pruss@lindsaygoldbergvogel.com'; van Wyk, Eduard [IBD]; Droege, Christopher [IBD]; Convey, Colin [IBD]; Koester, Tobias [IBD]; Wich, Matthias [IBD]; gs-sky-core

Cc: Newton, Esme [IBD]; Hinkelmann, Lena [IBD]; Boehm, Josefine [IBD]; Bosse-Janzing, Christina E [IBD]; Schindler, Niko [IBD]; Scherthaner, Michael

Subject: Project Sky - Weekly Follow-Up Call

When: 09 October 2019 16:30-17:00 (UTC+00:00) Dublin, Edinburgh, Lisbon, London.

Where: Dial In: GER +49 69 75321347, x0584690 ; UK +44 20 3027 5253 , x0584690

Dear All,

Please find below the details for the follow-up call on Project Sky on Wednesday.

Many thanks,

Maxime

Receive a callback – GS only

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DIVISION

DRAFT
09-Oct

Project Sky – Initial Lender Feedback

Goldman Sachs Bank Europe SE

October 2019



Overview of Bank Education Participants

07-Oct-2019

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29¹
institutions invited

26
institutions participated
(20 banks / 6 debt funds)

41 Participants

BAML
Bank of Ireland²
Barclays
BNP Paribas
Crédit Agricole
Citi
Commerzbank
Deutsche Bank
HSBC
ING
JP Morgan ★
MHCB ★
Morgan Stanley

Natixis
Nomura
Royal Bank of Canada ★
Société Générale
SMBC
UniCredit ★
UBS
Albacore
Ares ★
GSO
KKR
PSP
CPPIB

¹ Credit Suisse and GIC declined; Partners excluded given equity focus. ² Did not participate due to illness, but received bank education presentation afterwards.

Banks

Debt Funds

★ Initial feedback provided

1329



Questions Asked During Q&A Phase

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Public Session

- You mentioned you were already 90% compliant with 2030 regulatory standards on plastic. Where are you in overall terms with recyclability?
- How do you structure your customer contracts? Do you contractually pre-agree on packages, products, volumes, etc.?
- What is your share of wallet with customers?
- Are there any trends in customer retention or churn rates?
- On the resin purchasing, if you purchase 2-3x the amount that you need, what do you do with the rest?
- You mentioned that you change your product line up to 15x a day? What cost do you allocate to that change / how does it offset higher margins?
- What is your level of repeated orders within one year from retained customers?
- On digital printing, you said it was important to quickly change product specifications ("change-overs") which are essential for serving the customer. Given digital printing makes up less than 1% of your capabilities today, how do you look at it now and in the future?
- What is the distinction between efficiency and footprint capex? Can you be more specific here? What is the run-rate capex amount?

Private Session

- What is the current operating leverage?
- Given price increases are directly passed through to the customer, how are GM?
- What is SF's view on the neg. outlook S&P assigned in Feb-2019?
- On your Polymer Sourcing business, how many tons are sold externally?
- Please elaborate on your factoring positions and the profitability / balance sheet impact of IFRS16
- At what multiples did you acquire the new businesses?
- Could you please give an indication on the CYT? How has SF been performing since Jun-2019?
- On procurement savings, how do you expect suppliers to agree to the new terms?
- How does SF benefit specifically from the location of its production sites?
- Which has been the most important acquisition so far?
- Please elaborate on the recent positive WC effects leading to a €95m op. cash flow in H1-2019
- Do you not consider maintenance capex to be too low?
- Looking at expansion capex, what is the average ROI and payback period?



Initial Lender Feedback (1/2)

Banks

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JP Morgan

J.P.Morgan

- Really liked the presentation of the bank education
- Questions around Badwill adjustment of c.€30m
- Will revert with additional feedback by end of week

MHCB

MIZUHO

- Business performed extremely well since the last refinancing
- Realized synergies impressive
- Question marks around additional RR synergies, subject to FVDD
- Elephant in the room still the refinancing last time, also from a capital markets perspective
- Need to get comfortable how quickly they've been growing, also operationally
- Important to them: How to structure a financing that is not perceived in the market as "doing the same mistake again", but crediting operational achievements at the same time
- Indicative view to be shared by end of next week; given the history in the market they need some time (leverage multiple subject to comps, but primarily DD)

Royal Bank of Canada



- Have not yet internally discussed the asset in detail – will come back with additional detail by end of week / beginning of next week
- Generally like the business and have interest in the industry
- Largest focus going forward: Will need more detail on EBITDA RR adjustments

UniCredit



- Looked thoroughly at the asset at last recap – want to continue looking at the asset
- Liked CEO a lot, very convincing story
- Focus on DD
 - Financials: In particular adjustments around RR EBITDA – already provided discomfort last time
 - Commercial: Focus on sustainability of Flex Core due to plastic exposure and overall public attention (esp. film-based packaging)
- Aim at a sustainable financing package, which should not be too aggressive – last time was a 'warning example', particularly regarding sentiments in the market
- Will revert with indicative financing view by end of week

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Initial Lender Feedback (2/2)

Debt Funds

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Pass

Ares

ARES

- Liked the management
- Equity story works – very successful transformation delivering organic growth

On debt side, they didn't like:

- Contract structure
- Sustainability of trading business is a question mark to them
- Operationally geared business (high changeover in the plants etc.)
- Capex requirements / maintenance perceived as high
- EBITDA RR and they would not be any close to the €96m adjusted that were presented
- Didn't like the Tobacco exposure